

The Conference Board MANAGEMENT RECORD

FEBRUARY, 1943

Copyright, 1943, by
National Industrial Conference Board, Inc.

VOL. V, No. 2

A Glance at This Issue

The Cost of Living in Labor Contracts

Can changes in the cost of living be measured with exact mathematical precision either locally or in the nation as a whole? Theoretically, yes; practically, no. But based upon an adequate sampling they can provide a highly informative indicator of changes that are taking place, and when used with understanding of their limitations as well as their value they can be a helpful adjunct to wage negotiations. The part that cost of living figures can properly play in wage agreements, particularly when escalator clauses are involved, is restated in the interest of a wider understanding of this subject. (Page 50)

Where to Get New Foremen

By now the obvious sources of good foreman material are becoming exhausted and yet many more will be needed. In Britain they have had to seek supervisory recruits from rank-and-file employees who have not stood out as promising candidates. So they are developing a check list of important supervisory qualifications to aid in securing the most likely prospects for developing into at least average foremen. British experience should prove enlightening to American managers. (Page 55)

The Employee Doesn't Like It

The government decreed wage stabilization *except*—and with the door left open a crack it bids fair to being pushed wide open. Meanwhile employers differ regarding the question of whether employees really understand the purpose of the attempted stabilization. But whether employees understand it or not, there is substantial agreement that they don't like it, and with increases still being granted those not getting them think they are getting the short end. Executives discuss this question on page 60.

Balm to Conscience or Sound Investment?

Is it enough when a long-service employee can no longer be used just to give him the gate, or should his

employer give him something in addition, to help him while he is getting relocated? Some employers think such an employee has earned a grub stake and ought to get it. If he never was a fully competent worker it is management's fault that he has been kept so long in work where he didn't belong. If he is a victim of technological advance he should not have to bear the full brunt of progress. And how about after the war, when working forces will have to be reorganized? (Page 56)

AWOL on the Production Front

The equal importance of the production front to the battle front is constantly stressed. And yet if you're in the Army and you go AWOL you land in the guard house, but if a war worker takes unnecessary time off from his job it is simply a matter between himself and his conscience. The problem of "The little man who wasn't there" has many a plant manager seriously worried. Both managements and labor organizations are tackling the job of reducing preventable absenteeism. But what is a normal rate of absenteeism that must always be expected from illness, accidents, emergencies? What is the present average absentee rate? To measure the extent of seriousness of this problem, THE CONFERENCE BOARD has been developing a national index of absenteeism. Preliminary figures are on page 63.

Anti-inflation Battle Losing Ground

In spite of ceilings and wage stabilization, the cost of living continues to climb—up 0.4% from December to January in the United States as a whole, mostly because of increased food prices. (Page 79)

Average hourly earnings of all wage earners in twenty-five manufacturing industries reached the all-time high of \$.970 in December. Even unskilled male labor averaged \$.815 per hour and women averaged \$.649. (Pages 73, 74)

Average weekly earnings of all wage earners equaled \$42.99 in December, male workers taking home an average of \$46.94, and women, \$26.51. (Pages 70, 73)

Cost of Living Indexes in Labor Contracts

RECOLLECTION of the disastrous spiraling of wages and prices during and immediately after World War I has led many managements and labor leaders to consider means of preventing a repetition of this chaos in the present war period. One method that presented itself was to link wages and cost of living together so that each would act as a brake on extreme changes in the other and the wage earner would be protected against loss of purchasing power because of sudden rises in prices during the life of a union contract.

Such a procedure is workable and excellent as long as the nature of cost of living indexes is understood and they are not expected to provide a precision in measuring price changes that by their very nature they cannot be expected to possess. In order to clear up any misunderstandings on the nature of reasonable uses and also the limitations of cost of living figures, it has been thought desirable to review briefly basic facts regarding them. This will be, perhaps, particularly timely because in last month's issue of *The Management Record* the Board presented the first group of revised indexes of changes in the cost of living in specific cities. Revised indexes for another group of cities appear in this issue. These revised indexes differ from the old to varying extents. This article is intended to point out the background of cost of living indexes, the reason why occasional revisions are necessary and the sphere within which these indexes can properly be used in connection with wage-scale determination.

METHOD OF COMPILATION

Generally speaking, a cost of living index is the measurement at any particular date, in relation to some earlier fixed date (called the base), of the change in cost of the commodities and services which are normally purchased by an average family in the group for which the index is intended. THE CONFERENCE BOARD's indexes are intended to measure changes in such costs for the average family of wage earners and lower-salaried clerical workers.

The "perfect" index would price every commodity and service purchased and would obtain prices from every seller within the territory covered by the index at each date for which the index was compiled. Such procedure is obviously impractical since it would require an enormous staff of investigators to collect and compile the information and since the volume of work required would so delay completion of the index as to destroy its timeliness and, hence, its usefulness.

All cost of living indexes are therefore limited to a

sample of goods and services and a sample of prices. Actual studies of family purchases reveal which items are the most important from the standpoint of dollar expenditure and frequency of purchase. These items are included in the sample of goods and services. Analyses of retail trade in localities reveal where the important shopping centers are and which establishments in these centers are representative of the group as a whole. In so far as feasible, prices from such establishments are the prices used. THE CONFERENCE BOARD's indexes of changes in the cost of living, like those prepared by other institutions and governmental agencies, are, therefore, based upon samples which have been selected as carefully and reasonably as possible.

LIMITATIONS

Since the indexes are based upon samples, they are approximate measures of trends and should not be considered as rigid and precise measures within short intervals of time.

Any such index is subject to change as new and revised data become available. From the long-term standpoint, checks on purchasing habits are infrequently made because of the labor and expense involved. When such material becomes available it is used in place of out-of-date material, but its introduction naturally requires a revision. Indexes which appear on a monthly basis inevitably suffer from a time lag in obtaining adequate price reports. Periodic revisions permit the inclusion of data which would be lost if such revisions were not made.

These and many other problems become magnified as the geographical scope of an index is narrowed. City indexes require constant reviews of purchasing habits and price reports to test adequacy and reliability. Many desirable adjustments do not reveal themselves until all available material has been assembled, studied in retrospect, and cross-checked with similar data for other localities.

USEFULNESS

THE CONFERENCE BOARD has had long experience in the field of cost of living studies and has good reason to believe that the indexes for seventy cities and for the United States which it publishes each month are representative measures of the general trend or movement of the cost of living in these localities. It does not expect that each point of each index shall be considered the final and absolute measure of the level of the cost of living in relation to the base period of that index. The indexes must be changed as conditions warrant and if such changes were not made THE CONFERENCE BOARD

would be singularly remiss in its duties as a scientific research organization. The revised indexes currently being presented mark the first major change made in them since they were first presented in February, 1940. Between February, 1940, and the present, infrequent minor changes have been made and similar changes will be made in the future when they are warranted.

INDEXES IN LABOR CONTRACTS

Previous issues of *The Conference Board Management Record* have carried articles discussing and summarizing wage adjustments based upon cost of living changes.¹ These articles were intended as summaries of existing practices and were not intended as recommendation of procedures.

Since cost of living indexes may be considered to be reasonable measures of trends in such costs, it would seem that periodic adjustments of wages in line with cost of living changes would be superior to monthly adjustments. For example, such adjustments might be made every six months or after the cost of living index had risen 5% or 10%. In any event, whether the adjustments are made monthly or at more infrequent intervals they should always be made on the basis of percentage changes in a cost of living index and not on the basis of point changes. The indexes are measures of change and should be used as such.

Since they are measures of change and are subject to revision, wage adjustments should not be made on the basis of deviations from a fixed point in the index number series. Such procedure assigns a finality to a particular point which it should not bear and leads to confusion and complications when a revision of a cost of living index revises the level of the selected focal point.

At the present time, automatic cost of living wage adjustments fall within the scope of the government's efforts to control prices and wages.

EFFECT OF WAGE STABILIZATION ORDER

Recently the significance of so-called "escalator" wage clauses in union contracts has diminished because of government attempts to bring about wage stabilization. By an act of Congress approved October 2, 1942,² amending the Emergency Price Control Act of 1942, the President was "authorized and directed to issue a general order stabilizing prices, wages and salaries, affecting the cost of living; and, except as otherwise provided in this Act, such stabilization was so far as practicable to

be on the basis of the levels which existed on September 15, 1942."

In Executive Order 9250, issued to give effect to the legislation calling for stabilization, the President designated the National War Labor Board as the body to have jurisdiction over the regulation of wages. He further directed in Title II, Section 2 of this order that "The National War Labor Board shall not approve any increase in the wage rates prevailing on September 15, 1942, unless such increase is necessary to correct maladjustments or inequalities, to eliminate substandards of living, to correct gross inequities, or to aid in the effective prosecution of the war."

The War Labor Board soon made it clear that, in the absence of any of the special circumstances enumerated above, it would apply to any petition for an increase in wage rates what has come to be known as its "Little Steel" formula—that if wage rates had been increased by 15% since January 1, 1941, (the amount of the increase in the United States Department of Labor cost of living index number between January, 1941, and May, 1942) they would be deemed to have increased sufficiently to maintain adequate purchasing power.

It was inevitable that this principle should come into conflict with the operation of escalator clauses in union contracts. This occurred first in the case of the Pyrites Company Inc. of Wilmington, Delaware, decided November 26, 1942. Wage increases in this company had already raised the general level of wage rates 19% since January, 1941, but by the terms of the company's contract with a local of the International Union of Mine, Mill and Smelter Workers, CIO, another increase was imminent and approval of the change was sought from the War Labor Board. By unanimous vote the Board disapproved the increase, the opinion being written by Vice Chairman George W. Taylor.

Dr. Taylor's opinion pointed out that employees of the company had already received wage increases in excess of the stipulated 15% and under the stabilization program they had no proper claim for further advances in wage rates as a cost of living adjustment. He said further, "Nor can the escalator clause of the agreement between these parties serve to provide an additional cost of living adjustment in wages which is incompatible with the national stabilization program."

In concluding his opinion, Dr. Taylor summed up the position of the War Labor Board in the following words:

In acting upon this case, the Board has determined that so-called escalator clauses in labor agreements cannot be permitted to operate if they result in general wage increases, as cost-of-living adjustments, which would be incompatible with the wage stabilization program of the Board. It is emphasized, however, that the employees involved in the case had previously received general wage increases totaling 19% over their January, 1941, rates and were entitled to no further cost-of-living adjustment. In

¹"Automatic Cost of Living Adjustment of Wages," *The Conference Board Management Record*, November, 1941, p. 138. "Cost of Living Adjustments—Supplementary Report," *The Conference Board Management Record*, December, 1941, p. 154. "Automatic Cost of Living Adjustments, January, 1942," *The Conference Board Management Record*, February, 1942, p. 45.

²Public Law 729, 77th Congress.

correcting maladjustments, the Board has announced that it will consider requests for general wage increases in straight time rates up to 15% above the level prevailing on January 1, 1941. The determination in the present case cannot be interpreted, therefore, as entirely precluding the operation of escalator clauses; it does, however, hold that under the present policy of the National War Labor Board such clauses will be given effect to the extent that they provide straight time rates not more than 15% above the January 1, 1941, rates.

It is obvious that under this policy, escalator clauses can operate only within the area of wage increases allowed by the War Labor Board, notwithstanding the fact that they have been made parts of contracts between employers and labor organizations. They have, therefore, ceased to provide an automatic method of making wage adjustments and of taking out of the realm of conflict this most controversial of labor relations problems.

The 48-Hour Week

ON FEBRUARY 9, President Roosevelt issued an Executive Order establishing a minimum wartime work week of 48 hours for 32 labor-shortage areas. Section 1 of the order states that, "for the duration of the war, no plant, factory, or other place of employment shall be deemed to be making the most effective utilization of its manpower if the minimum work week therein is less than 48 hours per week." Section 5 states in effect that the order does not conflict with such laws as the Fair Labor Standards Act and the Walsh-Healey Act.

The main purpose of the order is to make available more manpower and to that end it applies to all forms of employment in the areas involved. In instances where employers do not initiate a 48-hour week by March 31, 1943, the cases will be reviewed for proper adjustment by the War Manpower Commission representative in that area.

Shortly after the President's order was issued, the Office of War Information issued on behalf of the WMC a set of questions and answers that are typical of those being raised by many employers. The following are selected from a group of twenty-six questions:

Q: How much additional productive power is made available by this order?

A: No statistics are available. It has been estimated that if the 48-hour week were in effect in all industries and areas where it would result in maximum use of labor it would add the equivalent of 1,000,000 men to the labor force.

Q: When is the order effective?

A: The President's order is effective immediately in the 32 areas designated by WMC Chairman McNutt, and workers should be paid overtime rates as overtime is instituted. However, the War Manpower Commission has announced that employers have until March 31 to bring their work week up to 48 hours or to report how much longer it will take them to do so in these critical areas.

Q: With whom should local plant, union, and employer problems, created by the order, be taken up?

A: With area or regional officials of the War Manpower Commission. The WMC intends to decentralize administration of the order as much as possible, leaving decisions in the hands of local WMC officials and their management-labor committees.

Q: Should firms in other areas try to go on the 48-hour week?

A: Yes, if by doing so they can reduce their labor requirements and not have to discharge workers now on their payrolls. Most war plants in all areas are expanding their work weeks so as to utilize available labor better. Nonwar plants would be well advised to plan similar action, in view of the drain of their workers into the armed forces and into war industries.

Q: Should a store or office now working employees less than 48 hours go up to 48 hours at once?

A: Yes, but only if going to 48 hours would result in more effective use of employees, or if it would avert employment of additional employees. However, the purpose of the order is to release workers for war and essential jobs. Mere increase of hours that will not result in this was not intended.

Q: Who is putting the order into effect, and enforcing it?

A: The War Manpower Commission was directed by the President to interpret and apply the order, and to permit longer or shorter work weeks if they will help win the war.

SHIFT SCHEDULES

When the United States entered the war, the President issued an urgent appeal to all companies producing war materials to work around the clock 168 hours a week. In the spring of 1942 THE CONFERENCE BOARD made a study of shift schedules in 185 companies and published its findings in *Studies in Personnel Policy*

No. 40, "Shift Practice in War Industry". It was found that some companies had attained 3-shift operation 7 days a week but it was also found that there were many difficulties involved in meeting a schedule of this type.

The aircraft division of an automobile parts manufacturer reported a 3-shift, 7-day-week schedule in which the following principles are involved:

1. Each employee works seven consecutive days before having a day off.
2. When the day off occurs on Saturday, the following day—Sunday—will also be a day off.
3. Each employee gets a different day off every week.
4. The factory operates 24 hours per day—7 days per week.

Under this plan, a "crew" consists of seven operators in the same department on the same shift. Six of the men in a crew constitute a standard working force who are always on duty at the same work station every day they work. The seventh man in a crew is known as a relief man and fills in at any operation as each of the six regular men take off their scheduled day or days.

In a shift schedule of this kind, there is likely to be confusion on the part of employees as to their days off. The company solved this by giving each worker a card calendar with his days off circled. This schedule provides an individual work week in excess of 50 hours.

Many companies have found it not to their advantage to schedule three full shifts on Sunday. An aircraft company in California employing more than 30,000 workers has a 3-shift schedule 6 days per week, as follows:

First shift.....7 a.m.-3:30 p.m.
Second shift.....4 p.m.-12:30 a.m.
Third shift.....12:30 a.m.-7 a.m.

Shifts are assigned on a permanent basis providing 8 working hours on the first and second shifts and 6¼ working hours on the third shift. Eating time is ½ hour on the first and second shifts and ¼ hour on the third shift. The third shift employees are given 8 hours' pay for 6¼ hours' work and are also paid for the ¼ hour eating time.

Another aircraft plant in California working on a 3-shift basis has the following arrangement:

Shift	Length of Shift	Time for Eating	Eating Time Paid For?	Working Time
First.....	8½ hrs.	½ hr.	No	8
Second.....	8½ hrs.	½ hr.	No	8
Third.....	7 hrs.	½ hr.	No	6½

In this plant workers on the first and second shifts work 6 days per week, totaling 48 hours, and the workers on the third shift are provided with enough overtime to bring their average up to 48 hours.

An aircraft plant in the East has operated on a 2-shift basis for more than two years and has found that this

arrangement results in certain advantages over the 3-shift arrangement. Most workers in the plant are employed 58 hours per week, working 10 hours per day from Monday to Friday and 8 hours on Saturday. Sunday is used as a period for clearing up bottlenecks in production and performing maintenance. The first shift begins at 8 A.M., the second at 6:30 P.M. With two ½ hour lunch periods and a shift-change period of ½ hour added to the 20 hours elapsed time for the two working periods, there is a shut-down period of 2½ hours, during which maintenance operations may be carried on.

A plant manufacturing bearings employs about 5,000 workers on a permanent shift assignment basis so that the employees work either 48 or 56 hours per week. Sunday is a full-schedule day in most cases. The shift schedule of this plant, covering a six-week cycle, is shown in the accompanying chart.

A 3-SHIFT SCHEDULE FOR A 48-HOUR AND 56-HOUR WORK WEEK

SHIFT SCHEDULE NO 12																																				
1ST WEEK														2ND WEEK																						
TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		
7-3	1	8	8	8	8	8	8	56	7-3	1	8	8	8	8	8	8	56	7-3	1	8	8	8	8	8	8	8	56	7-3	1	8	8	8	8	8	8	56
3-11	2	8	8	8	8	8	8	56	3-11	2	8	8	8	8	8	8	56	3-11	2	8	8	8	8	8	8	8	56	3-11	2	8	8	8	8	8	8	56
11-7	3	0	8	8	8	8	8	48	11-7	3	0	8	8	8	8	8	48	11-7	3	8	8	8	8	8	8	8	56	11-7	3	8	8	8	8	8	8	56
		16	24	24	24	24	24	160			16	24	24	24	24	24	160			16	24	24	24	24	24	24	160			16	24	24	24	24	24	160
3RD WEEK														4TH WEEK																						
TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		
7-3	1	8	8	8	8	8	8	56	7-3	1	0	8	8	8	8	8	48	7-3	1	8	8	8	8	8	8	8	56	7-3	1	8	8	8	8	8	8	56
3-11	2	8	8	8	8	8	8	56	3-11	2	8	8	8	8	8	8	56	3-11	2	8	8	8	8	8	8	8	56	3-11	2	8	8	8	8	8	8	56
11-7	3	8	8	8	8	8	8	56	11-7	3	8	8	8	8	8	8	56	11-7	3	8	8	8	8	8	8	8	56	11-7	3	8	8	8	8	8	8	56
		24	24	24	24	24	24	168			16	24	24	24	24	24	160			16	24	24	24	24	24	24	160			16	24	24	24	24	24	160
5TH WEEK														6TH WEEK																						
TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		TIME	S	M	T	W	T	F	S		
7-3	1	8	8	8	8	8	8	56	7-3	1	8	8	8	8	8	8	56	7-3	1	8	8	8	8	8	8	8	56	7-3	1	8	8	8	8	8	8	56
3-11	2	0	8	8	8	8	8	48	3-11	2	8	8	8	8	8	8	56	3-11	2	8	8	8	8	8	8	8	56	3-11	2	8	8	8	8	8	8	56
11-7	3	8	8	8	8	8	8	56	11-7	3	8	8	8	8	8	8	56	11-7	3	8	8	8	8	8	8	8	56	11-7	3	8	8	8	8	8	8	56
		16	24	24	24	24	24	160			16	24	24	24	24	24	160			16	24	24	24	24	24	24	160			16	24	24	24	24	24	160
<u>THE FACTORY IS SHUT DOWN 9 MIES (1ST) 2ND WEEK</u>																																				
<u>AVERAGE WEEK. 54.40 HOURS PER MAN</u>																																				

THE FACTORY IS SHUT DOWN 2 HRS. THE 2ND WEEK
AVERAGE WEEK: 54.40 HOURS PER MAN

DOUBLE-TIME REVERSAL

There has been considerable confusion in connection with Executive Order No. 9240 on the question of whether double-time compensation must be paid on the seventh consecutive day worked or on the seventh day of work occurring within a given work week.

The Secretary of Labor's first interpretation, dated September 25, 1942, ruled that "when work is actually performed on any seven consecutive days, double time must be paid for the work on the seventh day, unless by agreement the employer and employees have arranged a mutually satisfactory work schedule which affords a day of rest in each regular work week."

On January 26, 1943, the Secretary of Labor reversed the previous ruling by stating that "after this date double time for the seventh consecutive day of work may be paid only where all seven days fall in the same work week."

The Secretary's new ruling also states that "this will permit, without penalty payment, the use of various work schedules which facilitate maximum production and still afford proper days of rest. It will, however, by the requirement of double time, discourage work schedules which do not allow a day of rest each week and thereby impair health and efficiency and maximum production."

OVERTIME PAY FOR SUPERVISORS

It is stated in *Studies in Personnel Policy* No. 30, "Foreman Compensation," that "closer attention than was formerly considered necessary is being given today to the differential, or margin, between the foreman's income and that of his subordinates." In spite of this greater attention, many foremen are underpaid at present in relation to the workers under their direction and the problem seems likely to become more serious with the advent of the official 48-hour minimum work week.

Several months ago an industrial consultant turned over to THE CONFERENCE BOARD the results of a survey on this subject covering thirty-eight representative manufacturing companies.

One-half of these companies had made special provision for paying supervisors and other employees exempt under the Wage-Hour Law for their scheduled overtime. Some typical arrangements follow:

Company No. 1—Food Products

Exempt salaried employees are paid time-and-a-half after 40 hours a week if they earn less than \$200 a month.

No provision has been made for compensating exempt supervisors and other exempt salaried employees earning in excess of \$200 a month when they work more than 40 hours a week. Every effort is being made, however, to assure that their salary level is high enough so that earnings of subordinates, when overtime is involved, will not exceed that of the supervisors.

Company No. 2—Electrical Products

Exempt employees earning more than \$50 a week are paid time-and-a-half on the first \$50 of their salary for scheduled and controlled overtime.

Company No. 3—Automobiles

All exempt salaried employees receiving less than \$350 per month who are on a scheduled extended work week in excess of 40 hours are paid time-and-a-half as an extended work week salary premium for the scheduled time beyond 40 hours.

All exempt salaried employees receiving from \$350 to \$625 per month who work extended periods in excess in 40 hours a week are paid a salary premium in such amount that will bring salaries in this group on an equitable basis with those in the lower groups.

Company No. 4—Rubber Tires and Tubes

Exempt salaried employees earning up to \$350 a month are paid straight time for all pre-scheduled hours in excess of 8 hours a day or 40 hours a week. Employees earning from \$351 to \$499 a month are paid 2½% of their monthly salary for each 8 hours a day they may be scheduled to work beyond the regular 40-hour week.

Company No. 5—Shoes

At the end of 1941, an "adjustment check" was paid to each exempt employee who had worked overtime during the year. The size of this check depended partly on the amount of overtime work. It is expected that a similar practice will prevail this year.

Company No. 6—Automobiles

Exempt supervisors and other exempt salaried employees now on a six-day week have received additional compensation at the rate of approximately 20% of their former salary.

E. S. HORNING
Management Research Division

Standards for Selecting Foremen and Supervisors

DURING THE past several months repeated warnings have emanated from Washington that the shortage of male and female industrial workers would become increasingly acute and that all grades of employees would be affected including skilled, technical, supervisory, and even executive. All too rapidly events have proved that these predictions were true. While today it appears to many hard-pressed executives that they have already scraped the bottom of the barrel of labor supply, it is evident that tomorrow, and the day after tomorrow, the need will be greater and the barrel will appear even more empty.

In a highly coordinated system of production which relies for its effectiveness on the teamwork of all grades of workers, it is both impossible and undesirable to elevate one group above any other in importance. Workers in each grade of skill make their own valuable and essential contribution. However, executives recognize that the importance of the contribution of foremen and supervisors cannot be overestimated.

Until recently numerous comments have been made that the quality of supervision during the preceding two years was better than that during prewar years. The reason given was that the recognition of the staggering job which confronted industry had forced management to devote greater time and attention to the training of foremen and supervisors. Now, however, large numbers of these foremen are either no longer available or soon will be called into military service. It seems to be generally accepted that future foremen, with but few exceptions, will be chosen from the ranks. Faced with the prospect of limited selection, personnel executives are struggling with the question, "To what extent will we be forced to lower our standards in selecting foremen and supervisors?"

Because the manpower problem in Great Britain became acute considerably earlier than in the United States, it may be heartening for personnel men in this country to know that Great Britain is advocating standards for selecting foremen that will insure the continued effectiveness of this vital group.

The November, 1942, issue of the *Production and Engineering Bulletin*, issued by the Ministry of Labour and National Service and the Ministry of Production, contains a forthright article, "Choosing Prospective Foremen." In spite of the dire shortage of trained supervisory material in Great Britain, the following personality traits are advocated as basic qualifications of a prospective foreman:

1. Applies himself to his work to an unusual degree. Perseveres in the face of obstacles.
2. Is dependable. Keeps promises.

3. Is willing to accept responsibility. (This includes willingness to admit his own errors.)
4. Has initiative and independence. Does his own thinking.
5. Is systematic and orderly.
6. Is sincerely interested in other people (their attitudes, satisfactions and progress), but is not sentimental or inquisitive. Respects the personalities, views, and rights of others. Safeguards any confidences given him. Can talk with others and answer their questions.
7. Cooperates well. Is not unduly self-centered.
8. Is interested in fair play and a "square deal" for others, as well as for himself.
9. Is frank yet tactful.
10. Exercises self-control. Has poise, maturity, and stability.
11. Is decisive, but not bigoted. Is willing to change a decision if he discovers sound reasons for the change.
12. Is able to adapt his views and methods to changed conditions. Is progressive and interested in improvements.
13. Is resourceful in emergency.
14. Exercises foresight in his work.
15. Reacts well to managerial criticism. Can view himself and his work objectively.

In connection with these qualities "the executives of the engineering firms whose experience is pooled in the

A FORM SUGGESTED FOR USE IN BRITAIN

SPECIMEN FORM for rating candidate's PERSONAL QUALIFICATIONS.						
Position <u>Maintenance Foreman</u>			Date <u>Nov. '42</u>			
Candidate <u>A. Tryer</u>			Rated by <u>I. C. Wright</u>			
QUALIFICATION NEEDED	RATING for position requirement:					
	Deficient.		Adequate.		Superior to reqt.	
	1	2	3	4	5	6
Health				✓		
Technical knowledge and skill			✓			
Application and perseverance				✓		
Dependability .. .				✓		
Acceptance of responsibility ..			✓			
Initiative .. .					✓	
Orderliness .. .		✓				
Interest in people .. .			✓			
Willingness to co-operate ..				✓		

(For personality traits the candidate is graded as deficient, adequate, or superior. The columns are divided, so that the check mark regarding any quality can be ticked at any position on the horizontal line to indicate the degree to which the person is thought adequate for the post in that respect.)

above list point out that poise and stability of character are to be expected only in persons who have reached an age of maturity. In selecting prospective foremen they therefore prefer men in their thirties or over."

It is further suggested that because collective judgment tends to be less biased than individual judgment, the qualifications of candidates should always be reviewed by several persons in conference. As a preliminary to these conferences the following routine for initial selection of foremen is suggested:

1. Each applicant should be interviewed and graded by at least three executives (usually his foreman, personnel officer and superintendent).
2. Mental test and physical examination.
3. Study of man's record.
4. Conference reviews data and nominates best candidate.

In regard to the interviewing and grading procedure

mention is also made of the advisability of obtaining the assistance of time-study men and industrial engineers. It is pointed out that "such staff men can mention employees who have learned new methods readily and who can cooperate in development work; and can aid in judging intelligence, adaptability, and the personality traits of candidates."

In an attempt to achieve greater effectiveness in judging the candidates and in selecting those best qualified, a method of rating has been developed the form of which is reproduced below.

S. AVERY RAUBE
Management Research Division

Dismissal Compensation for the Postwar Period

AS THE TIDE of war has turned in favor of the United Nations, attention has been directed increasingly to the possible effects of peace upon our economy. Many are of the opinion that the longer the war continues the greater will be the dislocations in our economy and unless definite steps are taken unemployment will be a very serious problem after the war. Durable goods industries have been expanded far beyond former peacetime requirements; many consumer goods companies have been converted to war production, and others may be forced out of business because they cannot obtain needed materials.

The problem of unemployment caused by the closing down of war plants will be aggravated by returning soldiers unless, as has been advocated, members of the armed forces are demobilized as jobs are made available for them. Estimates of postwar unemployment run as high as fifteen or sixteen million persons.

Many measures have been advocated to ward off disastrous effects of the inevitable period of readjustment after the war. Enforced savings, enlargement of the social security program and compulsory sale of war bonds are among the remedies proposed to provide war workers with a reserve to tide them over the trying period to come. It has been suggested that industry put aside a portion of its wartime profits to be distributed to workers let out at the end of the war.

The idea underlying the postwar dismissal compensation programs which have been advocated by some executives is not new. During the Twenties when technological unemployment and prejudice against hiring workers over forty were being widely discussed, several well known companies gave dismissal compensation to their older employees whose jobs were abolished because of technological advances. The Thirties witnessed a further extension and development of these plans, as the rapidly declining volume of business forced many con-

cerns to lay off workers of long service indefinitely or discharge them permanently.

THE CONFERENCE BOARD has recently completed a study of experience with dismissal compensation during the past ten years—a period marked by wide-scale unemployment, partial business recovery, and finally a serious scarcity of skilled labor when the United States entered the war.¹ The features of present dismissal compensation plans and experience with them may be of some assistance to the company contemplating the adoption of a postwar program of dismissal compensation.

DEFINITION

Dismissal compensation is a payment over and above wages or salary actually earned and is given under certain circumstances to employees whose connection with the company is severed at the instance of the management. It is usually paid for breaking the employment relationship; consequently under most plans an individual need not remain unemployed to continue to receive payments.

Two general principles have been followed in determining the amount of dismissal compensation. One method provides for a small termination allowance of one or two weeks' pay given in lieu of advance notice. This method is the older and is fairly prevalent in handling dismissals of clerical workers. Under the other method, the amount of compensation bears some relationship to the number of years of service. The graduated payment type is considered the true dismissal compensation plan, and this discussion is confined to its characteristics.

Graduated dismissal compensation plans are not in common usage. After extensive research THE CONFERENCE BOARD Reports, Studies in Personnel Policy No. 50, "Dismissal Compensation."

ENCE BOARD found only 104 active and 8 discontinued plans of this nature. These plans appear most frequently in banks, insurance companies, and concerns such as mercantile establishments and public utilities, whose employees come in frequent contact with the public. Employment in these 122 companies is approximately 1,232,000 persons.

MOTIVES FOR ADOPTION

Companies have been actuated by both humanitarian and practical motives in adopting dismissal compensation plans. The motive most frequently mentioned by reporting companies is the desire of the management to lessen the economic strain during the time that the former employee is seeking work. The managements in these companies also believe that the performance of satisfactory service over a period of years implies a permanence of relationship which, if it is broken, entitles the employee to some consideration beyond the payment of wages due. This compensation is also given to reward employees for their loyalty and long service and to compensate older workers for the loss of their valuable seniority rights and other company privileges.

The company expects to derive some benefits from the large expenditures required to finance these payments. By its fair treatment of employees whom it is forced to discharge, employee morale may be strengthened and community good will increased. Also supervisors may be more disposed to recommend the discharge of surplus or inefficient employees who might otherwise be carried on the payroll indefinitely.

FEATURES OF PLAN

The liberality of graduated dismissal compensation plans is determined by the amount of money which the company can afford and is willing to pay. Plans are usually tailor-made to fit the needs and finances of the individual company. Obviously a company in a seasonal industry with widely fluctuating employment can not afford as liberal allowances as a company in a stabilized industry with few discharges.

Determination of Allowance

There are two major factors determining the amount of compensation—(1) the employee's income and (2) his years of service. These two determinants are combined in many different ways. In general, however, these allowances are computed by one of three different methods.

Under the first method, dismissal compensation is computed by multiplying some unit of the employee's income by his years of service. The earliest plans provided for an allowance equivalent to one week's pay for each year of service, and over two-thirds of the present policies follow this general policy, with variations to meet the needs of a particular company. The

chief advantage of such a plan is that the method is readily understood by both the supervisors and wage earners, and the allowance is easily computed.

While the most prevalent policy under this first method is to give a week's pay for each year of service, there are many variations. Approximately 45% of the plans in this classification put a ceiling upon the number of weeks' pay an employee may receive. The maximum ranges from four weeks' income to a year's pay. A sizable proportion of plans in this group gives additional weight to length of service or age to provide a larger allowance for older employees.

The second method of computing dismissal compensation is to establish years-of-service groupings. All within a given group receive dismissal compensation calculated by a uniform formula. For example, a representative plan provides two weeks' pay for two but less than four years' service; three weeks' pay for four but less than six years' service; four weeks' pay for six or more years' service.

An eighth of the graduated plans studied belong in this second classification but they lack uniformity as to the maximum number of weeks' earnings and the length of time required to reach the maximum. The majority of plans provide for a maximum of three or four weeks' pay.

This method of computing dismissal compensation possesses the advantage of being easily understood and calculated, but it may result in inequality of treatment if the service steps are too broad. For this reason, possibly, the majority of plans in this classification graduate compensation according to one or two years' service groupings rather than in five- or ten-year jumps.

The third method of computing dismissal compensation is based on a mathematical formula to give added weight to age or service. Five companies included have made use of such formulas. The best known of this type is the plan of a petroleum refining company whose dismissal compensation payments are based on the following formula:

$$\frac{\left(\frac{\text{Age}}{40}\right)^2}{8} \times (\text{Service})^2 \text{ plus } 2 = \frac{\text{Number of weeks at full pay.}}{\text{Maximum, 1 year's pay}}$$

Wide variation in the methods of computing dismissal compensation is to be expected, first, because these plans are fairly new and have not as yet become standardized as other company benefit plans with longer history; second, because the cost of a particular plan will be far greater in a seasonal industry with high labor costs than in a stabilized industry with low labor costs. Each company must take many factors into account in formulating a dismissal compensation program to make sure that it does not impose too heavy a financial burden.

Causes for Which Compensation is Given

Graduated dismissal compensation is ordinarily given only if the employment relations are permanently sev-

ered. It is granted primarily for discharge owing to reasons beyond the individual's control. It is not given for voluntary resignations.

Inefficiency is included among the causes for which dismissal compensation is given in approximately half of the graduated plans analyzed. Cases of gross inefficiency are not ordinarily eligible for dismissal compensation; such cases are usually eliminated before the employee becomes eligible under the length-of-service requirements. Rather, these benefits are granted to long-standing borderline cases where the employee has conscientiously tried but has been unable to measure up to the normal standards of performance, or is unable to adapt himself to changes in job requirements and work environment. Some companies provide that if inefficiency is the cause of discharge the employee receives less than the full scale of benefits.

Eligibility Requirements

Clerical employees formerly enjoyed privileges denied to wage earners and it is significant that two-thirds of the graduated plans analyzed treat wage earners and clerical employees alike.

In determining the company policy regarding the payment of dismissal compensation, the management is faced with the problem of whether it is better to give the money available exclusively to employees of long service, or whether all regular employees should be eligible, with a consequent reduction in the amount each might receive.

Some authorities believe that employee morale is improved if all regular employees are included in the plan. Nearly 75% of the plans studied require a service record of one year or less, while a tenth confine participation to longer-service employees by requiring a minimum service record of five years or more.

Method of Paying Allowance

Dismissal compensation under graduated plans may be paid either in a lump sum or in instalments. The most obvious advantage of a lump sum payment is that the employee's connection with the company is definitely broken. So long as the worker is receiving compensation from the company he may cling to the hope that he will be recalled. From the worker's standpoint also, a lump sum payment might be more advantageous because it may enable him to reestablish himself more satisfactorily.

An argument against lump sum payments is that the possession of a fairly large sum of money may tempt the employee to make foolish expenditures and that by making the fund available to him in instalments, the money will be conserved for the purpose for which it was intended. There seems a tendency to make the method of payment more flexible. The company may favor one method or the other, but the way is left open to adjust the distribution of funds to individual circumstances.

Discretionary Nature of Plans

In many companies the dismissal compensation program is a statement of policy which is used as a guide by executives in computing individual allowances, but if the individual's circumstances warrant, the executive may deviate from the announced policy. Fear of the ultimate cost of a dismissal compensation plan has also made companies hesitant to assume responsibility for future payments.

Because of these underlying uncertainties, nearly two-thirds of the companies with formal graduated plans report that no announcements of the plan and its provisions have been made to employees.

Financing Dismissal Compensation

Most companies—80% of the total reporting—finance dismissal compensation on a pay-as-you-go basis. It is very difficult to determine actuarially the cost of dismissal compensation, because of the many unpredictable factors. A fifth of the companies, however, set aside reserves in good times to help finance payments during depressions when requests for these payments are at their peak.

EXPERIENCE WITH PLANS

The satisfaction of employers with dismissal compensation is evident from the extent to which this activity has been retained and even expanded during the past decade, marked though it was by a great depression and a second World War. Eight plans reported in the survey had been discontinued but only one was abandoned because of dissatisfaction with its operation.

According to the cooperating companies, the chief advantage derived from the dismissal compensation plan is its influence upon employee morale. With this visible proof of the company's assumption of social responsibility for unneeded workers, the bond of relationship between it and the employees has been further cemented, and necessary discharges are effected without weakening the general feeling of security and high morale in the remainder of the group. Another advantage mentioned is the beneficial influence of a dismissal compensation plan upon the community.

One important advantage of the dismissal compensation plan is its use in facilitating necessary adjustments in personnel and eliminating misfits. When no plan exists, long-term employees who can no longer measure up to standards of average performance are often retained on the payroll out of sympathy.

The most serious objection to a dismissal compensation plan which provides worth-while benefits is the cost. In a time of normal business activity when the number of dismissals of long-service employees are few, the cost of these benefits is relatively unimportant and represents a very small fraction of total payrolls. During depressions, however, when the company can least

afford so finance the payments under the plan, the calls on the fund reach the highest point.

Data received on the cost of graduated benefit plans reveal that even under conditions of wide-spread prosperity, substantial amounts may be paid out in these allowances. For the year 1941, forty-six companies with graduated payment plans distributed \$895,301.28 to 1,880 persons, or an average payment of \$476 per employee. This average payment is not out of line with past experience; in a study made by THE CONFERENCE BOARD in 1937, it was found that for a period of seven years, 1930 to 1936, the average graduated dismissal wage amounted to more than \$400, and in 1931 exceeded \$500.

It is obvious that a dismissal compensation plan which produces such large allowances might under abnormal conditions prove very costly to a company forced to dismiss considerable numbers of long-service employees. The potential cost of graduated plans is the most serious obstacle to their more widespread adoption. Probably for this reason, plans with liberal benefits are found in companies which are not subject to wide fluctuations in employment, in those whose labor costs are low, and in companies in a strong financial position.

POSTWAR PLANS

While there has been considerable agitation for postwar dismissal compensation plans, THE CONFERENCE BOARD found only three concerns which were laying aside funds to provide payments to workers discharged at the end of the war. Many companies are opposed to the idea of a postwar dismissal wage plan in the belief that the job of postwar readjustment is beyond the powers of the individual company to handle alone; that the workers themselves should protect themselves by the purchase of war bonds and other savings from their present high earnings; or that the problem of postwar unemployment should be dealt with on a nation-wide basis.

The Hartford Electric Steel Corporation of Hartford, Connecticut, on December 31, 1941, set up a separation wage trust agreement under which it is depositing into a trusteeship fund portions of its earnings. All employees earning up to \$5,000 per year are eligible to participate in the benefits after a probationary period of three months. The fund is to be used to maintain the employee's base wage at a constant level. When the employee works part-time or is laid off, he receives from the fund a supplemental amount which, together with any income he may get, will bring his weekly income up to his base rate multiplied by forty hours. The maximum amount which an employee may receive from the fund may not exceed fifty-two times his base weekly wages. If the funds in the trust are insufficient to meet

all demands in full, the available funds are to be prorated among the eligible employees.

On February 11, 1942, the Westinghouse Electric and Manufacturing Company created a special separation reserve fund to assist employees who will be laid off during the transitional period from emergency war production to normal operation. It is contributing an amount equivalent to 0.5% of its payroll each month to this fund.

Another company is setting aside in a special fund an amount equal to 10% of the wages of over-age employees who have been hired to take the places of men called into military service. The company plans to pay out this fund in additional dismissal compensation when these older workers are discharged at the end of the war.

In December, 1942, the Freeport Sulphur Company created a special reserve of \$200,000 to help insure postwar jobs for its employees in uniform and to help meet postwar uncertainties. In a statement to employees in the armed forces, the president of the company said:

The Freeport management looks forward to an expanding period of constructive service after the war, but there will inevitably be a period of readjustment when the men from the armed services are being absorbed into private industry. Just as soon as our employees are released from the service and once again want to work for us, we want to have their old jobs or comparable ones waiting for them. It may be that our business will have declined at that time and our profits have diminished; for that reason we are setting up a reserve now to take care of this problem so as to make sure just as far as we possible can that we shall have the resources to provide reemployment for our men.

DISMISSAL COMPENSATION AND TAXES

There has been some confusion as to whether dismissal compensation payments made by the employer can be deducted from taxable income under the 1942 Internal Revenue Code. From a letter received from the General Counsel of the United States Treasury Department, it seems clear that if the dismissal payments are made on a pay-as-you-go basis from current income, the employer is entitled to a deduction in the year in which this payment is made, provided the compensation is "reasonable". If the funds are deposited in a reserve or trusteeship fund, the amounts so set aside are deductible from taxable income only under very restricted conditions, which are outlined in THE CONFERENCE BOARD's study, "Dismissal Compensation", which forms the basis of this supplementary article.

F. BEATRICE BROWER
Management Research Division

Comments on Management Problems

A POLL OF THE VIEWS OF EXECUTIVES OF REPRESENTATIVE COMPANIES ON MATTERS OF TIMELY INTEREST

POINT 1. Is the reason for so-called wage and salary stabilization understood by most workers and accepted by them as desirable under the circumstances, or is resentment against inability to secure what may be considered just increases in rates being reflected in less effort, greater absenteeism and generally lowered morale?

Employers who believe that the reason for salary and wage stabilization is not understood by employees somewhat outnumber those who believe that there is understanding. However, even when the reason is understood, employees in most cases are not in sympathy with what the government is trying to do and feel that they are being deprived of justly earned increases in compensation. The estimated effect on morale varies widely, some feeling that stabilization is accepted as a necessary evil and therefore does not rouse resentment while others trace to stabilization increased absenteeism and loss of employees who think they can get higher rates elsewhere. Individual company points of view are revealed by the following quotations:

I do not think that the wage and salary stabilization is at all understood by most employees. Further, I do not think that they want to understand it because it is the goal of all employees, particularly of those who belong to international unions, to strive for more wages constantly. At the present time the War Labor Board does not seem to have done a very great deal to retard the demand for wages increases, and, the "Little Steel" formula notwithstanding, I think that we are likely to see a further general increase within the fairly near future.

I think employees as a group are desirous of more money, as are most people, and because the "cost of living" is constantly increasing I think we may expect several increase demands as a consequence. I think, too, that employees as a whole feel companies are making exorbitant profits and that the burden of paying for the war should necessarily rest upon corporations rather than individuals. It seems to me, therefore, that increases in cost of living, Victory taxes, income taxes, etc., are all expected to be borne, from the employees' standpoint, by the company.

From my limited contacts with workers, supervisors and manufacturing executives, I am quite inclined to believe that the worker does not think that wage and salary stabilization is "real" because the newspapers carry information as to increases that are being granted and the unions carry the message to the men that wages are not frozen since increases can be granted with War Labor Board approval. We feel that quite a few men

are shifting jobs because they feel that their rated pay in the specific job at which they are working is fixed, but they can go to another company and pass themselves along as better workmen for some higher classification. Incidentally, our experience has been that the war plants that are new—that is, the ones that sprang up since the war began—are paying much higher wages and salaries than the old-established industries, so that many men are gravitating to the newer industries.

From my observation I am convinced that workers do understand the reasons for wage and salary stabilization and accept it as reasonable under the circumstances. However, there is always the aggressive minority who, although they understand the reasons, can always find some plausible excuse for creating doubt and suspicion. They can create discontent among other workers. My own impression is that most workers are accepting this situation gracefully and are sold on the idea that it is a necessity under the circumstances.

I have noticed nothing that I could call resentment being reflected in less effort as a result of inability to secure what may be considered just increases in rates.

Absenteeism is a problem, but I do not think the cause for it can be traced to the question under discussion.

Employees do not understand the reason for wage and salary stabilization and it is not accepted by them as desirable under war circumstances. They still believe the employer can obtain increases for them if he is so moved. They are being told by their union organizers and agitators that such increases can be obtained under the so-called "equalization clause." Morale is lower, but not seriously, and in the industries with which I am in contact this has not caused any increase of absenteeism.

It has been our observation that workers find it hard to reconcile continued rising in the cost of living with wage stabilization. Also, the newspaper reports of the approval of the War Labor Board on a seemingly large number of cases lead to the conclusion that "our" company can grant increases indiscriminately.

I am sure that most workers think they understand the reason for the so-called wage and salary stabilization program, but I doubt that their understanding is as complete as it should be. This seems to be so because they raise no particular protest against its application to people other than themselves, but they resent it when it is used to explain why their wages or salaries cannot be increased.

I can hardly believe that this will reflect itself in greater absenteeism or in a generally lowered morale.

I think high absentee rates are more often caused by too much money rather than too little or a failure to get more money. I think also a lowered morale would more likely come from a feeling that employees were being discriminated against either by the employer or the government, rather than from any action which would put them all in the same boat.

POINT 2. The Conference Board has been gathering data regarding hours of training required for standard jobs as called for by Manning Tables. Examination of the results reveals wide differences in the estimated number of hours required for most jobs which are described by different companies either exactly the same way or in very similar terms. Do you believe that these differences are due to different standards in companies and, if so, how can the War Manpower Commission determine upon a standard training time for each job as a basis for granting deferments while replacements are being trained?

The view strongly predominates that discrepancies between company statements of time required to train for particular jobs is owing chiefly to the fact that the jobs in question are not really similar. The job title may be the same, but the type of work required may differ greatly from one plant to another. Accordingly, for the simpler types of work the training time will necessarily be substantially less than for the more highly skilled types of work. Comments of a number of companies follow:

The wide difference in the estimated number of hours required to train workers for standard jobs as called for by the Manning Tables is probably brought about by the lack of a proper job evaluation by the various companies. In the preparation of job evaluation some companies are prone to evaluate the man rather than the job. Job evaluation should cover general schooling, training period, manual skill, versatility, job knowledge, responsibility and working conditions. The War Manpower Commission is apparently relying on its dictionary of occupational titles in arriving at an estimated training period for each job. Under actual conditions this will not hold true. As a point of illustration, a boring machine operator in one plant would not need nearly as much skill as an operator in another plant where the differential is in the quality of the work to be performed. Therefore, evaluating the time to train a boring machine operator as described in the dictionary of occupational titles would naturally be two different things, depending entirely upon the plant which was making the evaluation. It would seem to me that the War Manpower Commission would have to set up a range of standard training time, based on some highs and lows, and accept everyone's statement of the training time required for a particular job if this training time fell within the range established for the job.

This subject is complicated by great differences which exist in the methods of doing work as well as in the

methods used in training in various companies producing similar products. Any move to eliminate these differences by setting up common standards of performance is likely to prove non-productive at the start owing to the fact that any such structure must be erected upon the basis of training plant managers and superintendents as well as foremen in more modern methods. In the meantime, it is quite necessary to get war production out. To accomplish this and at the same time remove large numbers of trained or partly trained men from industrial organizations for induction into the armed forces, is likely to prove an almost impossible task. We need more time to get our foremen and superintendents trained and develop satisfactory and adequate personnel staffs in some of the war plants. I doubt whether this can be accomplished in any practical way in less than six to nine months.

We would suggest that job analysts of the War Manpower Commission pool results of their studies in war plants which they make in connection with the Manning Tables and publish data on training time, classified by USES occupational titles; then let employers bear the responsibility for justifying deviations. This would provide a norm which personnel directors could use in evaluating the reported training time of various jobs in their organizations. This might be useful, also, in spotting poor training methods.

I can understand the wide differences in the estimated number of hours required for teaching most jobs which are similar in appearance. I think the difference arises more out of the teaching methods that are used than from the standards set up or the performance which is expected of employees.

I think the answer to the question of how can the War Manpower Commission determine upon a standard training time is found within the Commission itself in the "Training Within Industry" branch. It has the facilities for meeting almost any training problem faced by an employer.

There is nothing strange in the fact that different companies have arrived at different training periods for what on the surface seem to be the same jobs. When the Manning Table project becomes more general, these discrepancies will compel the War Manpower Commission to investigate these wide differences in training periods. It is probably true that many companies have conscientiously stated that it takes a certain minimum number of months or years to train a worker for some job; but these same companies have in some instances, and in other cases will, revise their estimates downward when confronted with a thorough-going analysis. It would be interesting to see if these differences in training periods were as great when arrived at by a careful job evaluation. The War Manpower Commission might very well insist that all training periods be established as a result of a standard job evaluation plan, or, failing that, it would doubtless send inspectors into plants to verify or correct all training periods which seem to be out of line.

Types of work, exactness of workmanship, and, more important, the amount of repetition of the job, affect the time required for training. We build heavy special equipment—one, two, three or four machines alike. The operators of our key machine tools must be experienced mechanics able to read complicated drawings and with a knowledge of how to proceed with the job. On this kind of work the war would be over before we trained many men to operate 10 ft. planers, 20 ft. boring mills, etc.

The War Manpower Commission would have to be composed of high-grade production men to even understand the problem.

We recently were told by an attorney on the draft board that we could train a production manager for our gun plant in three months. It is that kind of ignorance which will probably gum up the Manpower Commission's work.

This problem has been under discussion in this area for some time. I think the differences are based upon two things—variability of the caliber of applicants for jobs from one company to another with changing labor market conditions and differences in the efficiency of training programs between companies. If the War Manpower Commission were to base its data regarding hours of training required on the experience of large companies with highly developed training programs, smaller companies would be definitely handicapped. On the other hand, WMC could use this as a means of forcing companies into its "Training Within Industry" program and other government-approved training methods.

POINT 3. The following comment was received from an industrial executive in the Midwest: "We see indications of a coming demand for greater recognition of colored workers, particularly in a supervisory capacity. This might be worked out in that some colored foremen could be used without controversy, but the inspiration of this movement appears to us to spring from the aspiration for social equality with the whites, which we are afraid may be carried to a point which could arouse a bad state of affairs. We wonder whether this problem has presented itself to members of THE CONFERENCE BOARD and, if so, how they plan to solve it." We shall be glad to have your comments on this point.

There was almost unanimous agreement that the problem of the colored worker has been badly mismanaged in this war period. A combination of politics, social uplifters and associations for the advancement of colored people, trying to overcome in a few months traditional distinctions, prejudices and customs, has brought about a chaotic situation which cannot easily be straightened out and from which both white and colored people are suffering. Executives were not optimistic about the probability of reaching a satisfactory solution in the near future. Some of the comments include the following:

Our experience has been and our investigation has led us to believe that the colored people have little or no aspirations for social equality with whites. In fact, we do not believe the better class of negro would make use of it if it did exist. Their entire ambition seems to be to get equality in economic opportunity. In short, their ambition is a very reasonable and laudable one, of having the same opportunity for economic security that is given to the white people of the country.

The problem mentioned in this case has not been of any significance to us. We employ colored labor in our steel mills when and where they are needed and there has been no discrimination against them. It is true, however, that certain jobs are by tradition necessarily performed by white labor, but the exigencies of the situation are making it necessary for us to abandon tradition and utilize whatever labor we can get.

As a matter of policy, we do not have colored supervisors, and should it be necessary to promote colored labor to such positions I think it would be our intention to have them supervise only employees of their own race. I do not think that the developments of the war needs are likely to make it necessary for us to change this policy.

For years probably 20% of the shop workers we have employed have been colored. We are running into the problem that the prosperity of the wartime pay is making a good many of them shiftless and they are putting in less effort, are absent much more, and have a don't-give-a-damn spirit, because they feel that they can get jobs elsewhere. At one time we were considered here "niggers' heaven" but a good many of the colored employees who were well satisfied here before are themselves disturbed by the influx of new colored workers who don't seem to stick. We scent a definite feeling on the part of colored workers that the government permits no distinction, and they expect not to be discriminated against, but their interpretation of this seems to be more freedom and less respect for authority by them. In our particular situation, while the union does not discriminate against colored workers as members, nevertheless they would prefer that they not be members.

The bad state of affairs as a result of the pressure to employ negroes in more skilled supervisory and white collar capacities already is here. It is true not only in the South and the Southwest, but it is true in the Midwest. Pressure is being put on most large employers to upgrade negroes into supervisory jobs and to introduce into office set-ups Negro stenographers, secretaries, file clerks and the like. The government agencies pushing such activities and the Negro associations are not satisfied if departments are established made up entirely of negroes. They want social and business equality. Some employers in the Midwest, South and Southwest would be willing to establish stenographic pools, mailing departments and other departments with such help if they were not required to permit such employees to use the same service facilities, such as cafeterias, washrooms and the like. If an employer yields to the pressure, he will lose a great

many of his better-type white employees because jobs are easy to get nowadays, and in many instances a white employee can better him or herself financially on a shift to some other employer, but does not do so because of seniority and loyalty. The introduction of Negroes would cause a tremendous shift in personnel, with a resultant lowering in morale and efficiency. Negroes do not make good supervisors, even of Negroes, and, of course, it's unthinkable to put a Negro over a white, although in New England this is done. Much of the move toward introducing Negroes into Midwestern and Southern plants on an equal basis with whites seems to stem from New England. So far as I am concerned, I am not going to solve it or attempt to solve it. If the government puts extraordinary pressure on us to do it, we shall establish certain departments in which only Negroes will be employed, but until the Army and the Navy eliminate segregation of white and Negro officers and white and Negro officers' families, or white and Negro troops and require them to live and mess together, I can see no reason why industry should stick its neck out and wreck the morale of its white personnel.

The easiest way to force the unionization of office personnel in the higher salary brackets is to begin to introduce Negro office help on an equal basis.

I think this presents the No. 1 problem of today and in postwar industrial relations. It stems from a whole variety of causes, each contributing its influence in aggravating the problem. There is the attitude of the Negro himself. There is the matter of his qualifications which are being made more use of as he moves from the classification of a marginal worker into the presence of wartime demands. There is the indiscriminate and in many cases ill-conceived pressure from government and social agencies. And finally, there is the ill-advised action of employers themselves who, without any experience whatever in the field, do things under the influence of these pressures which neither they nor the Negro are ready for.

It is impossible to predict the full extent to which this problem will present itself within the next few years because it is at the moment in a highly fluid state of affairs.

There is no doubt that the employment of Negroes in industry is becoming an increasingly acute problem. Leaders in the fight for equality are doing everything possible to capitalize upon the current situation to advance their cause. The non-discrimination executive order has given them a powerful weapon in their fight. Negro newspapers are doing everything they can to arouse in their readers the feeling that they are being discriminated against on all sides. In order to avoid serious difficulties the leaders of the Negro movement and leaders in our industrial world must view this situation calmly and conscientiously. There is no doubt that many Negroes of ability fail to find an opportunity for the exercise of those abilities. This problem should be viewed and appraised dispassionately. If the Negro is fit to fight and die alongside of white Americans, then we must expect him to work at an adjoining bench in the plant or an adjoining desk in the office if he has the required skill and intelligence to perform those tasks. This, to my way of thinking, does not mean social equality. It does, however, mean equality of opportunity. We can't dodge this question. It must be faced.

It just happens that the head of our power plant is a Negro who has over twenty white men working under him. However, he is an old-timer, and our experience has been that where the Negro has been in the organization for a long time and is well known, there is no problem. On the other hand, Negroes are generally resented when they are placed in a position of responsibility and are relatively new employees. We have seen exceptions to this work out, and I think that it is a problem of analyzing each individual situation and a problem in which a rule-of-thumb answer cannot be given.

Measuring Absenteeism

ABSENTEEISM first came on the horizon as a problem that needed careful watching about a year ago, when the first patriotic fervor stirred by Pearl Harbor was beginning to wane. It was clear that with full employment, high wages and, frequently, long hours, the conditions were ripe for an increase in unnecessary absences from work unless this tendency could be arrested by appeals to patriotism or by some other means. Following a preliminary survey, THE CONFERENCE BOARD published last August its report, "Reducing Absenteeism."

One difficulty in dealing with this problem is lack of knowledge of what may be considered a normal or average rate of absenteeism. To aid in judging the seriousness of the absentee problem in individual companies,

THE CONFERENCE BOARD undertook to compile data on absenteeism at regular intervals and construct a national index based on reports from representative companies throughout the country. This required that cooperating companies record absence data in a uniform manner in order that comparable figures might be available for combination. Organization of this study has taken time, and the coverage of the study is not yet considered broad enough to be regarded as thoroughly representative, but tentative figures for November, 1942, are here presented in the belief that they are informative and will probably prove helpful. It is hoped that the coverage will increase substantially in the future.

THE CONFERENCE BOARD is under great obligation to the companies that are already generously participating

in this joint effort to develop a basis for measuring fluctuations in absenteeism. It would welcome the cooperation of other companies that may be inclined to help increase the accuracy of the index by enlarging the base on which it is computed.

This report is based on absence data received from 22 plants located in 13 states which employed in November 104,357 persons. Approximately 72% of the output of these plants is war production. About 14% of all males and 37% of all females included in this report are office workers. In combination, 19% of all the men and women work in the offices of the reporting companies.

INDEXES FOR NOVEMBER, 1942

Women

The government estimates that 32.3% of all persons employed during November were women. The fact that 23.2% of the employees reported for this index were women signifies, therefore, that a fairly accurate cross-section of industry has been obtained.

The women of this group had an absence frequency rate of 349 per thousand in short-term absences (one, two or three days), 62 per thousand for long-term (four days or more), and a rate of 411 per thousand on all absence. An average of 2.5 days was lost at each absence.

TABLE 1: FREQUENCY AND DURATION OF ABSENCE AMONG 80,077 MALE EMPLOYEES, NOVEMBER, 1942
Number of Hours Worked per Week

Weekly Work Hours	Average Number of Absences per 1,000 Employees			Average Days Lost per Absence			Average No. Days Lost per Employee
	Short-Term	Long-Term	All Absences	Short-Term	Long-Term	All Absences	
Over 60....	314	97	411	1.6	8.4	3.2	1.3
55-59.....	...	...	...	...	...	...	...
50-54.....	315	3	318	2.4	4.4	2.4	0.8
45-49.....	328	33	361	1.7	7.2	2.2	0.8
40-44.....	68	26	94	1.5	10.8	4.1	0.4
35-39.....	35	29	64	1.4	23.4	11.3	0.7

Men

The men in the reporting companies had an absence frequency rate of 165 on short-term absences, 32 for long-term absences and a total of 197 absences per thousand male employees. An average of 2.9 days was lost at each absence.

Women accounted for 39.3% of all absences of one, two or three days' duration, 40.0% of all absences of four days or longer, or 39.3% of all absences. In other words, female employees were reported absent 109% more frequently than males.

Women showed the greatest tendency to be absent for short periods of time. As compared with all short-term absences reported, women were absent 112% more frequently than men. They were absent 94% more

often than men in the long-term absence category. Eighty-four per cent of all women's absences were of one, two or three days' duration and accounted for 50% of their total time lost because of sickness, non-industrial accidents and personal reasons.

The average number of weekly work hours for male factory employees in the reporting companies was 44.3, for women 44.2. Work hours in the offices were slightly lower for both: men, 41.4 hours and women, 41.3 hours. The average number of weekly work hours for all office employees (men and women) was 41.3, as compared with 44.3 hours in the factories. As an over-all average for factory and office, men in the reporting companies work 44.0 hours per week, women 43.2. Four plants have made changes in their weekly work hours in the factories since October; one raised its weekly work hours for women from 40 to 48, another lowered the weekly work hours of its female factory employees from 42 to 35. Other changes were so small as to be insignificant.

There are currently prevalent two opinions on the comparative absenteeism of men and women. Some employers say that women are absent more often than men; others say that the reverse is true. This index, over a period of three months, has demonstrated that the former statement is correct, when applied to large numbers of men and women. However, the experience of some companies may be that women are absent less frequently than men. With this in mind, the November reports were analyzed to determine whether or not this fact was true in any of the cooperating companies. It

TABLE 2: FREQUENCY AND DURATION OF ABSENCE AMONG 24,280 FEMALE EMPLOYEES, NOVEMBER, 1942
Number of Hours Worked per Week

Weekly Work Hours	Average Number of Absences per 1,000 Employees			Average Days Lost per Absence			Average No. Days Lost per Employee
	Short-Term	Long-Term	All Absences	Short-Term	Long-Term	All Absences	
50-54.....	266	85	351	1.6	7.8	3.1	1.1
45-49.....	590	241	831	1.3	6.2	1.6	1.0
40-44.....	310	90	400	1.7	7.2	2.8	1.1
35-39.....	145	33	178	1.5	17.0	4.3	0.8
30-34.....	202	38	230	1.4	5.5	2.0	0.5

was found that two companies reported men absent more frequently than women, probably owing to the fact that the men were engaged in heavier work.

Interpretation of Statistics

The per annum rates of 6.9 work days lost per man and 12.6 days lost per woman during the month of November indicate that absenteeism has increased over the month of October. This was anticipated, however, as sickness rates usually rise during the late fall months. When the figures for September, October, and Novem-

ber were averaged together, it was found that .556 days were lost per man and .903 days per woman, amounting to a minimum of 6.7 and 10.8 days lost per annum respectively. When compared with USPHS estimates for previous years, this would appear to indicate that absenteeism in 1942 has decreased approximately 5% for each man and 11% for each woman employed. However, as is demonstrated by Table 4, September and October are months in which absenteeism is low.

Tables

Table 1, covering male employees, indicates the relationship of hours of work to absenteeism. It will be noted that the number of days lost per employee increases in direct relation to increases in weekly work hours. The number of days lost per absence is normally used to indicate this effect, as it does to a certain extent in this case. However, as the number of absences per thousand also increases with the number of weekly work hours, there is a slight variation, making "Days Lost per Employee" the best indicator.

According to data shown in Table 2, long hours of work affect the absence rate of women in greater degree than in the case of men, despite the shorter weekly work schedules. In this table as the number of absences per thousand does not vary in relation to hours worked, the number of days lost per absence also may be used as an indicator.

TABLE 3: FREQUENCY AND DURATION OF ABSENCE AMONG 61,641 MALE AND 18,597 FEMALE EMPLOYEES, NOVEMBER, 1942

	Short-Term Absences			Long-Term Absences			All Absences		
	Ill	Acci- dent	Other	Ill	Acci- dent	Other	Ill	Acci- dent	Other
Absences per 1,000 employees									
Men.....	78	...	98	23	...	7	101	1	105
Women.....	199	1	232	33	1	38	232	2	270
Days lost per absence									
Men.....	1.8	1.4	1.5	10.6	11.7	6.2	3.8	7.7	1.9
Women.....	1.2	1.3	1.3	9.6	15.8	6.7	2.4	8.2	2.1

Most companies have found many employees have perfect records of attendance. This means that a company's time loss through absenteeism is caused by the absence of a comparatively small number of employees who are called "repeaters." Under normal work schedules, the number of "repeaters" does not change appreciably. However, as the number of weekly work hours is increased and the severity rate of these "repeaters" increases, the hours affect more people causing them to

be absent. If measurements were taken of the number of days lost per absence by the "repeaters" it would be found that the severity rate had increased in direct relation to the increases made in the weekly work hours. With additional employees being absent for short periods of time, however, the over-all severity rate may remain constant or even decrease. This may explain the higher frequency rate of male employees working longer hours per week. On the other hand, as the women represented in this report work fewer hours per week, this effect has not yet appeared.

The reports of 12 companies employing 80,238 persons are analyzed in Table 3 to show the relative importance of illness, non-industrial accidents and absence for personal reasons. Illness accounted for 47.5% of the absences, non-industrial accidents for 0.6%, and 51.9% were due to personal reasons.

TABLE 4: FREQUENCY AND DURATION OF ABSENCE

Male	September ¹	October	November
Absences per 1,000 employees.....	135	145	197
Days lost per employee (per yr.)...	6.7	6.2	6.9
Days lost per absence.....	2.5	3.6	2.9
Female			
Absences per 1,000 employees.....	146	267	411
Days lost per employee (per yr.)...	7.8	8.1	12.6
Days lost per absence.....	2.8	3.0	2.5

¹From a survey of 73,550 men and 12,295 women.

Women showed the greatest tendency to be absent for personal reasons; 53.6% of their absences were reported under this category, as compared with 50.7% for men. Illnesses were second in importance to personal reasons, accounting for 46.0% of women's and 48.6% of men's absences. Non-industrial accidents were almost negligible, amounting to only 0.4% and 0.7% of women's and men's absences respectively.

Table 3 is a statistical recapitulation of the comparative importance of each of the three absence reasons, both in absences per thousand employees and in days lost as the result of these absences.

Table 4 contains a summary of the material gathered for this index over a period of three months. The pronounced variation which is to be found between the figures of September and those of October and November is partly owing to the normal change in the characteristics of absenteeism at this particular time of the year and partly to the changes which were made in the sample of cooperating companies at this time.

KING MACRURY
Management Research Division

Wage and Salary Stabilization

WLB DECENTRALIZATION AND GENERAL ORDERS 12A, 26, 27

THE ANNOUNCEMENT by the National War Labor Board on January 20 of a sweeping decentralization plan to speed up administrative machinery seems to be the outstanding event of the month in connection with Executive Order No. 9250. Under this plan, twelve regional war labor boards are being created to carry on the work that has been piling up on the national board in Washington.

The new plan envisages the idea that the national board shall become a supreme court for wage and salary stabilization. Important duties reserved for it in this connection are as follows:

1. Issue general policy directives.
2. Hear appeals relating to regional directives.
3. Superintend regional boards and support them in obtaining compliance with their directives.
4. Exercise review authority.
5. Handle cases that affect the public interest.

The twelve regional boards will be similar in composition to the board in Washington. Under each of the twelve regional chairmen there will be a regional wage stabilization director who will devote his attention exclusively to the administration of Executive Order No. 9250.

Copies of regional board rulings and directives will be filed with the national board for a period of ten days before any announcement of their nature is disclosed to the parties involved. Regional orders and rulings will be considered final, except that:

1. The national board may assume jurisdiction over any dispute case at any stage of the proceedings.
2. Any party involved in a regional case may petition the national board for a review. Such reviews will not be granted unless there is involved either a novel question of importance, a substantial hardship or a case in which a regional board's directive is in conflict with its jurisdiction or with national policy.

The location of the twelve regional boards and the areas they will serve are as follows:

Atlanta: Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee.

Boston: Connecticut, Massachusetts, New Hampshire, Rhode Island, Vermont.

Chicago: Illinois, Indiana, Iowa, Minnesota, North Dakota, South Dakota, Wisconsin.

Cleveland: Kentucky, Ohio, West Virginia.

Dallas: Louisiana, Oklahoma, Texas.

Denver: Colorado, Idaho, Montana, New Mexico, Utah, Wyoming.

Detroit: Michigan.

Kansas City (Mo.): Arkansas, Iowa, Kansas, Missouri, Nebraska.

New York City: Northern New Jersey, New York.

Philadelphia: Delaware, District of Columbia, Maryland, Southern New Jersey, Pennsylvania, Virginia.

San Francisco: Arizona, California, Nevada.

Seattle: Oregon, Washington.

GENERAL ORDERS

Only two new basic General Orders were issued by the WLB during January, one relating to non-profit hospitals and the other to the Federal Housing Authority and Defense Homes Corporation. In addition, Order No. 12, relating to state, county and municipal employees was revoked, No. 12-A taking its place.

A special arrangement¹ of the main provisions of the orders follows:

12-A. Pay adjustments may be made by a state, county, or municipal agency to correct maladjustments or inequalities without filing certificates of application if pay rates are consistent with pay for similar services in the same area.

In all other cases the state or local agency is requested to take the matter up with the Joint Committee on Salaries and Wages, Department of Labor Building, Washington, D. C.

26. Pay adjustments for employees of non-profit hospitals may be made without prior approval of the WLB providing they are consistent with the pay level for similar services in the area involved.

Such adjustments are subject to the ultimate power of review and modification (non-retroactive) of the WLB.

27. Authority over pay adjustments of employees (non-statutory) of (1) Federal Housing Authority, (2) Defense Homes Corporation, and (3) Property Managers of Defense Homes Corporation projects, is delegated to the Administrator of the National Housing Agency and will be exercised by the Commissioner of the Public Housing Authority (Housing Wage Agency).

Copies of rulings of the Housing Agency shall be transmitted to the Review and Research Division as they are issued. These rulings shall be final except that they are subject to the ultimate power of review and modification (non-retroactive) of the WLB.

E. S. HORNING

Management Research Division

¹See *The Conference Board Management Record*, November and December, 1942, and January, 1943, for special arrangement of Orders 1 to 25.

Monthly Review of Labor Statistics

December, 1942—January, 1943

PREVIOUS ISSUES of this publication have referred to the increasing burden of excess purchasing power and its inflationary influence. The Federal Government, recognizing the importance of this tendency and the desirability of establishing adequate controls on the various factors causing inflation, has taken a number of steps in this direction. It has limited rents, established price ceilings, increased taxes, fostered saving, and placed restrictions on wage-rate advances. Two recent developments, which were reported in the press on February 10 seem to indicate that the government will, in effect, both further and hinder the program.

The War Labor Board on February 9 refused to modify its "Little Steel" formula in order to grant wage-rate increases to about 180,000 employees of the country's four largest meatpacking plants. It pointed out that granting such increases would be inconsistent with the Stabilization Act and that most of the workers had already received increases in excess of 15%. In this instance the War Labor Board contributed its share toward holding wages stable by disallowing a wage-rate increase.

On the same day, the President decreed a minimum wartime work week of 48 hours for all employees in both war and nonwar industries. This was immediately carried out in thirty-two areas where labor shortages were acute. As chairman of the War Manpower Commission, Paul V. McNutt was given the power to affirm or modify this work week in any given area as conditions might warrant. Disregarding the possible desirable effects of this order from the production standpoint, it is inflationary in character in that it automatically increases the purchasing power of all affected wage earners who have been working less than 48 hours per week. According to Conference Board data for December, there were only two industries out of twenty-nine in which the wage earners worked an average of 48 hours or more per week. The average work week for twenty-five industries was 44.2 hours in December. If the 48-hour minimum were to be uniformly applied to all areas, the effect on the December average weekly earnings would be an estimated rise of over 12%.

In announcing the President's order, Director of Economic Stabilization James F. Byrnes anticipated that it might be termed inflationary by stating: "Over-time payments have been an effective aid to increased production during the war. Paying more for the same work makes for inflation. Paying more for extra work does not make for inflation." The problem lies in "paying more." It is not a question of the reason for

the payments but rather of the effect that still higher earnings and, hence, greater excess purchasing power will have. Mr. Byrnes referred to this problem by stating that "the government will be forced to recapture the excess income in taxes." He also said that "there is inherent danger in a situation where our national consumer income is so abnormally large in relation to goods available for consumption."

In effect, therefore, Mr. Byrnes has stated that the 48-hour week will not be inflationary; it will increase income; large income in relation to small quantities of consumer goods is inflationary; and excess income must be absorbed by taxes. Since the new income-tax law, applicable to 1942 incomes, made a somewhat belated attempt to reduce excess purchasing power, the new 48-hour week will partly offset the gain made by this law and add to the existing necessity for further action.

EARNINGS AND HOURS

As has been the case for many months, new peak levels in earnings were the rule for December. Hourly

WAGE-RATE INCREASES AND WORKERS AFFECTED

Date	All Manufacturing ¹		25 Manufacturing Industries ²	
	Wage Earners Affected	Wage-rate Increase	Wage Earners Affected	Wage-rate Increase
1941				
January.....	3.0%	4.9%	2.1%	5.8%
February.....	1.1	6.1	1.7	5.1
March.....	1.6	6.7	2.1	6.8
April.....	11.7	9.6	10.3	8.0
May.....	10.1	8.9	11.2	8.4
June.....	10.2	9.1	12.8	7.9
July.....	6.6	8.5	8.0	7.8
August.....	3.8	7.3	5.9	6.1
September.....	5.5	9.0	7.2	7.1
October.....	5.1	8.7	4.1	7.0
November.....	2.2	8.0	4.3	6.4
December.....	3.0	7.4	3.5	6.8
1942				
January.....	n.a.	n.a.	3.7	6.1
February.....	1.9	7.9	3.0	5.7
March.....	2.5	7.9	4.1	6.3
April.....	2.5	8.0	4.0	7.1
May.....	4.2	8.8	4.7	6.4
June.....	3.7	8.3	4.3	7.5
July.....	6.4	7.1	4.6	7.1
August.....	9.1	7.7	9.6	5.8
September.....	7.8	7.4	5.7	6.5
October.....	2.1	9.6	5.3	6.7
November p.....	n.a.	n.a.	6.6	6.7
December p.....	n.a.	n.a.	2.0	5.0

¹United States Bureau of Labor Statistics
²THE CONFERENCE BOARD
 rRevised

n.a. Not available
 pPreliminary

PERCENTAGE CHANGES IN THE COST OF LIVING IN 70 CITIES, DECEMBER, 1942, TO JANUARY, 1943

Source: THE CONFERENCE BOARD

City	Percentage Change	City	Percentage Change	City	Percentage Change	City	Percentage Change
Dayton.....	+1.3	Cincinnati.....	+0.6	Fall River.....	+0.3	Houston.....	+0.1
Youngstown.....	+1.1	Huntington, W. Va.....	+0.6	Oakland.....	+0.3	Macon.....	+0.1
Atlanta.....	+1.0	Joliet, Ill.....	+0.6	Spokane.....	+0.3	Meadville, Pa.....	+0.1
Baltimore.....	+1.0	Lewistown, Pa.....	+0.6	Syracuse.....	+0.3	Milwaukee.....	+0.1
Manchester, N. H.....	+1.0	Louisville.....	+0.6	Trenton, N. J.....	+0.3	Minneapolis.....	+0.1
Grand Rapids.....	+0.9	Lynn.....	+0.6	Akron.....	+0.2	New Orleans.....	+0.1
Indianapolis.....	+0.9	New York.....	+0.6	Chicago.....	+0.2	Richmond.....	+0.1
Los Angeles.....	+0.9	Roanoke, Va.....	+0.6	Des Moines.....	+0.2	Boston.....	0
Rochester.....	+0.9	Bridgeport.....	+0.5	Kansas City, Mo.....	+0.2	Lansing.....	0
Eric.....	+0.8	Chattanooga.....	+0.5	Memphis.....	+0.2	Portland, Ore.....	-0.1
Flint.....	+0.8	Evansville, Ind.....	+0.5	Newark.....	+0.2	San Francisco.....	-0.1
Providence.....	+0.8	Cleveland.....	+0.4	New Haven.....	+0.2	Wilmington, Del.....	-0.2
Sacramento.....	+0.8	Dallas.....	+0.4	Omaha.....	+0.2	Philadelphia.....	-0.3
Anderson, Ind.....	+0.7	Denver.....	+0.4	Pittsburgh.....	+0.2	Saginaw, Mich.....	-0.5
Birmingham.....	+0.7	Parkersburg, W. Va.....	+0.4	Rockford.....	+0.2	Toledo.....	-0.5
Muskegon.....	+0.7	St. Louis.....	+0.4	Seattle.....	+0.2	Green Bay, Wis.....	-0.6
St. Paul.....	+0.7	Detroit.....	+0.3	Wausau, Wis.....	+0.2		
Buffalo.....	+0.6	Duluth.....	+0.3	Front Royal, Va.....	+0.1		

earnings in twenty-five manufacturing industries averaged \$.970, a level which was 0.4% higher than in November and 64.4% higher than the 1929 average. The work week of 44.2 hours was the longest since June, 1930; it had 1.1% more hours than in November but 8.5% fewer than in 1929. With longer hours and larger hourly earnings, weekly earnings reached \$42.99 in December, or 1.2% more than in November and 50.6% more than the average for 1929. Since weekly earnings rose more than the cost of living, "real" weekly earnings again attained a new peak. Thus, rapidly advancing earnings in a period of dwindling supplies of consumers' goods are resulting in an ever-mounting excess of purchasing power.

Wage-rate Changes

The percentage of workers in the twenty-five industries receiving wage-rate increases in December was the smallest since February, 1941, and the average increase the smallest in over two years.

Of the larger wage-rate increases granted in December, only one—7.3% to workers in the lumber and mill-work industry—affected an appreciable number of wage earners. For the first time in many months, wage-rate declines were reported, affecting only a small group of workers in the paint and varnish and in the paper and pulp industries.

COST OF LIVING

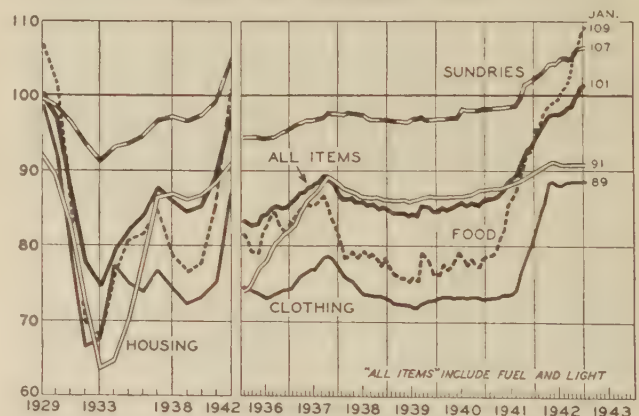
The upward trend in the cost of living between December and January amounted to 0.4%. As usual, this rise largely reflected advancing food prices, which went up 0.7% from December to January. The only additional increases were rises of 1.8% in coal prices and of 0.2% in the cost of sundries; the other principal budgetary items remained unchanged. Since January, 1942, the cost of living has risen 7.3%.

Between December and January, the cost of living rose in 61 cities, remained unchanged in 2, and declined in 7. The largest increase was 1.3% in Dayton, where food rose 2.9% and fuel and light 3.6%. The largest decline occurred in Green Bay, Wisconsin, amounting to 0.6%, largely because of a 2.1% decline in food prices.

COST OF LIVING IN THE UNITED STATES

Index Numbers, 1923 = 100

Source: THE CONFERENCE BOARD



REVISED SERIES

Revised indexes of the cost of living since January, 1939, are presented on pages 85-87 for Akron, Baltimore, Boston, Kansas City, Minneapolis, and Parkersburg. Revised indexes for fourteen cities have been presented so far this year; others will appear in next month's issue.

The second industry for which revised data on earnings and hours are shown is the Northern cotton industry, the data appearing on pages 75-78.

ROBERT A. SAYRE
Division of Industrial Economics

Earnings, Hours, Employment and Payrolls in Manufacturing, December, 1942

EARNINGS, hours, employment, man hours and payrolls rose to new peaks in December, 1942, according to THE CONFERENCE BOARD's regular monthly survey of labor statistics in twenty-five manufacturing industries. The work week averaged more hours than in any other month since June, 1930.

December, 1942, marked the completion of one full year of wartime production. In this period, despite the withdrawal of men from industry into the armed forces and the curtailment of production of nonwar items, total employment rose 14.4%. This expansion was marked by heightened war production and the influx of women into occupations formerly filled only by men.

Wage-rate increases and incentive payments contributed to a rise of 11.8% in average hourly earnings. Total wage-rate increases for 1942 averaged for all workers would amount to approximately 4.0%. The work week in the twenty-five industries was increased only 2.6 hours in the period and double-time pay for work on Sundays and holidays was revoked, so that the effect of overtime on changes in hourly earnings would appear to be relatively small. An examination of the averages for the individual industries reveals, however, that increased employment and longer working hours requiring larger overtime payments occurred largely in the more highly paid industries. Therefore, overtime payments contributed substantially to the increase in average hourly earnings. In fact, if the same workers who had been employed in these industries in December, 1941, had remained in them at the close of the year, the increase undoubtedly would have been even greater. The employment of larger numbers of untrained, and consequently lower-paid, men and women served to reduce average earnings. This factor not only offset to some extent the effect of the wage-rate increases and overtime payments, but probably lowered the average incentive payments per worker.

By working 2.6 hours more a week in December, 1942, the average manufacturing worker was able to increase his average income to \$42.99, or 19.2% above that of December, 1941. Since living costs rose only 8.4% in the twelve months, he was able to purchase 10.0% more commodities and services in December, 1942, than he could in the same month of 1941.

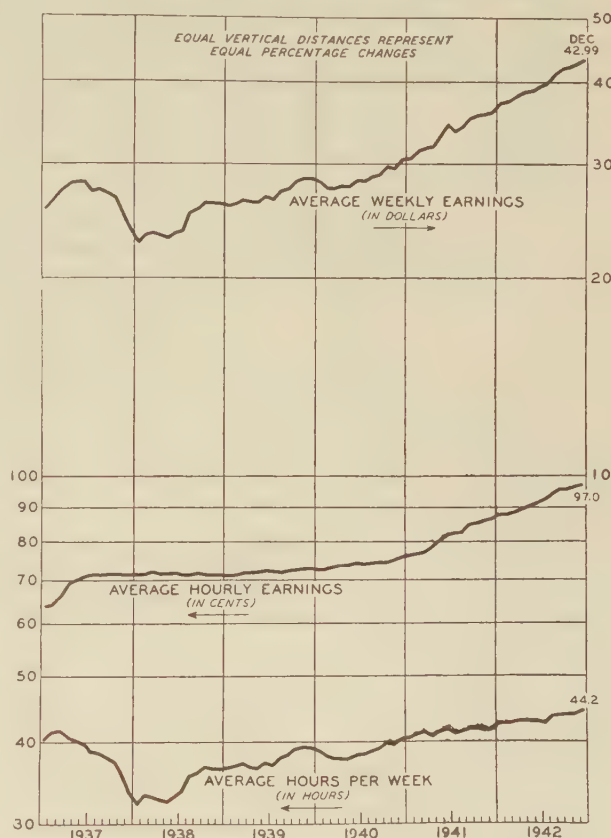
Principally because of expanded employment in December, 1942, 21.4% more man hours were worked than in the previous year and total payrolls rose to new peak levels, 36.4% above those of December, 1941.

Payroll data collected by the Board are applicable to the first normal week of each month, and since war was not declared until the second work week of December,

1941, a comparison of the annual averages for 1941 and 1942 affords an excellent picture of the effects on labor statistics of a year at war. Average hourly earnings

EARNINGS AND HOURS IN 25 INDUSTRIES

Source: THE CONFERENCE BOARD



which had amounted to \$.814 in 1941 advanced 13.5% to \$.924 in 1942. The number of hours worked in one week rose 4.4% from 41.2 to 43.0 and, as a result, average weekly earnings were increased almost \$6.50. They had been \$33.62 in 1941 and mounted 19.1% to \$40.03 in 1942. Despite higher living costs, the purchasing power of these earnings was up 8.5% in 1942. Employment was expanded 13.2%, while gains in man hours and payrolls were 18.1% and 34.8%, respectively.

DATA FOR FOUR INDUSTRIES

Average hourly earnings of all male workers in the cement industry declined \$.005, or 0.6%, in December to a level slightly below that of June, 1942. A two-hour

EARNINGS, HOURS, EMPLOYMENT, PAYROLLS, ALL WAGE EARNERS, 25 MANUFACTURING INDUSTRIES

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

Date	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner	Average Nominal Hours per Week per Wage Earner	Index Numbers, 1923=100							
					Hourly Earnings		Weekly Earnings		Actual Hours per Week per Wage Earner	Employment	Total Man Hours	Payrolls
					Actual	Real	Actual	Real				
1941 December.....	\$.868	\$36.08	41.6	40.7	160.4	172.1	135.6	145.5	84.6	126.8	107.3	171.9
1942 January.....	.878	37.47	42.4	40.8	162.3	171.7	140.8	149.0	86.2	127.9	110.2	180.1
February.....	.880	37.53	42.4	40.9	162.7	171.1	141.0	148.8	86.2	128.8	111.0	181.6
March.....	.888	38.14	42.7	41.0	164.1	170.8	143.3	149.1	86.8	130.0	112.8	186.3
April.....	.896	38.68	42.8	41.0	165.6	170.5	145.4	149.7	87.0	131.5	114.4	191.2
May.....	.906	39.00	42.7	41.2	167.5	172.1	146.6	150.7	86.8	132.5	115.0	194.2
June.....	.917	39.52	42.7	41.2	169.5	174.2	148.5	152.6	86.8	134.2	116.5	199.3
July.....	.928	39.80	42.6	41.2	171.5	175.4	149.6	153.0	86.6	135.7	117.5	203.0
August.....	.940	40.87	43.2	41.2	173.8	177.2	153.6	156.6	87.8	137.9	121.1	211.8
September.....	.957	41.79	43.4	41.3	176.9	179.4	157.0	159.2	88.2	139.6	123.1	219.2
October.....	.958	42.10	43.6	41.4	177.1	177.6	158.2	158.7	88.6	141.6	125.5	224.0
November.....	.966	42.50 _r	43.7	41.5 _r	178.6	178.1	159.7	159.2	88.8	141.8 _r	125.9 _r	226.5 _r
December.....	.970	42.99	44.2	41.6	179.3	177.5	161.6	160.0	89.8	145.1	130.3	234.5
Annual Average...	.924	40.03	43.0	41.2	170.8	174.8	150.4	153.9	87.4	135.6	118.5	203.9

_rRevised

EARNINGS AND HOURS: ALL WAGE EARNERS, DECEMBER, 1942

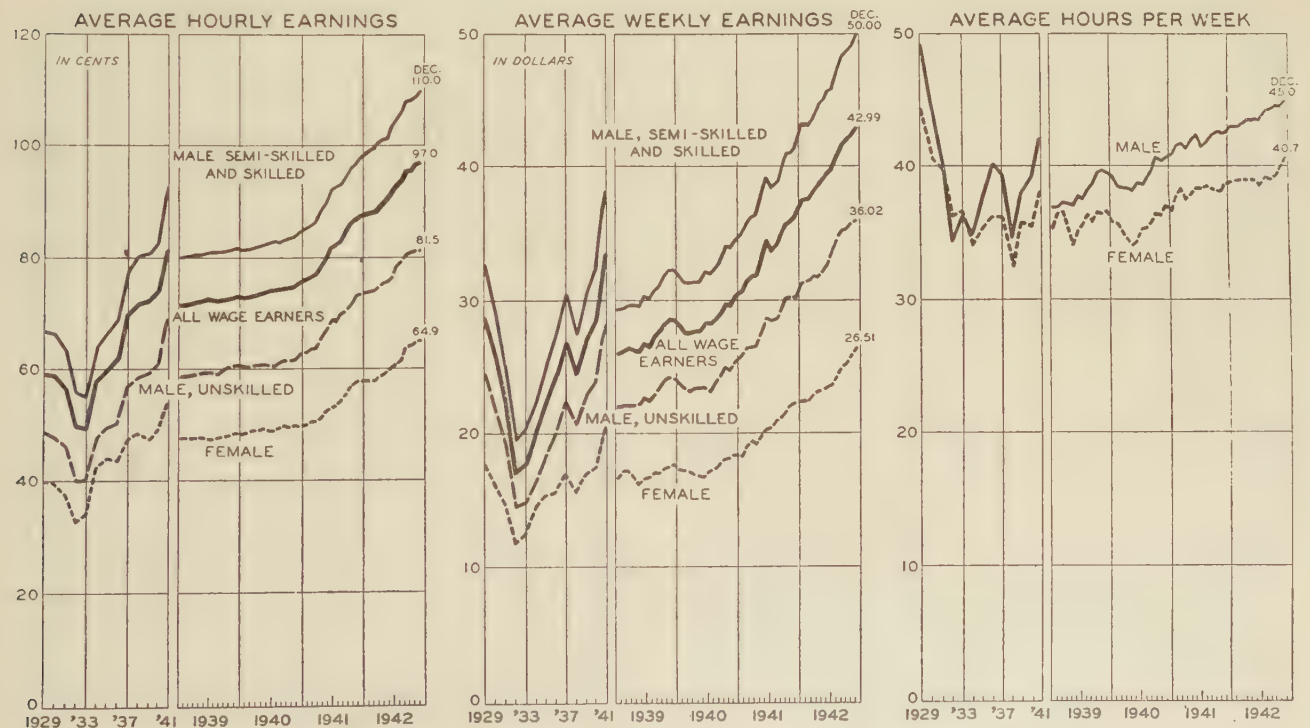
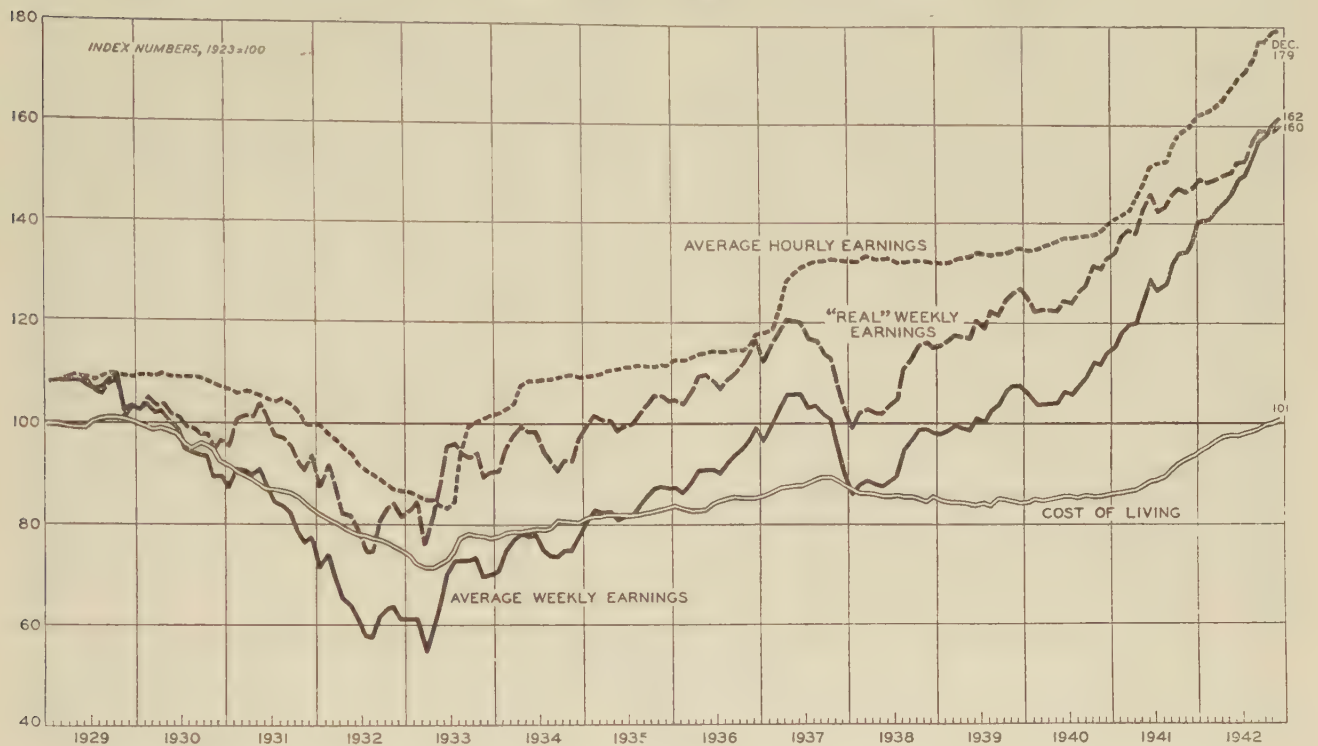
NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	Average Earnings				Average Hours per Week per Wage Earner			
	Hourly		Weekly		Actual		Nominal	
	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.
Agricultural implement.....	\$1.045	\$1.038	\$46.97	\$46.07	44.9	44.4	43.2	43.2
Automobile ¹	1.267	1.273	54.13	57.44 _r	42.7	45.1 _r	41.8	41.7
Boot and shoe.....	.690	.690	27.06	26.36	39.2	38.2	40.7	40.4
Chemical.....	.997	.984 _r	42.67	43.10 _r	42.8	43.8 _r	40.4	40.3
Rayon and allied products.....	.875	.873	34.56	37.71	39.5	43.2	40.0	40.0
Cotton—North*.....	.731	.727	31.62	31.06	43.3	42.7	40.5	40.5
Electrical manufacturing.....	1.044	1.036	48.65	48.07	46.6	46.4	41.1	41.0
Furniture ².....	.886	.873 _r	40.56	39.14 _r	45.8	44.8 _r	41.2	41.5
Hosiery and knit goods.....	.701	.701	28.18	27.76	40.2	39.6	40.6	40.6
Iron and steel ³	1.094	1.093	43.98	43.06	40.2	39.4	41.3	41.2
Leather tanning and finishing.....	.841	.840 _r	36.60	35.49 _r	43.5	42.3	42.7	42.7
Lumber and millwork.....	.985	.985	43.46	43.19	44.1	43.8	41.5	41.2
Meat packing.....	.851	.839	36.90	33.86	43.4	40.4	40.5	40.1
Paint and varnish.....	.894	.916	38.53	40.95	43.1	44.7	40.0	40.0
Paper and pulp.....	.856	.863	39.21	39.06	45.8	45.3	40.5	40.4
Paper products.....	.787	.786	34.62	33.92	44.0	43.2	40.5	40.5
Printing—book and job.....	.916	.935	40.47	39.96	44.2	42.7	39.8	39.8
Printing—news and magazine.....	1.028	1.039	40.54	42.19	39.4	40.6	39.7	39.7
Rubber.....	1.057	1.031	46.82	44.79	44.3	43.4	40.3	40.4 _r
1. Rubber tires and tubes.....	1.161	1.144	50.95	49.29	43.9	43.1	40.4	40.4 _r
2. Other rubber products.....	.913	.874	40.99	38.38	44.9	43.9	40.2	40.3 _r
Silk and rayon.....	.680	.665	29.31	27.49	43.1	41.3	42.0	42.1 _r
Wool.....	.850	.844	36.36	35.52 _r	42.8	42.1	40.4	40.2
1. Woolen and worsted goods.....	.837	.834	35.22	34.86	42.1	41.8	40.0	40.0
2. Other woolen products ⁴.....	.871	.862 _r	38.31	36.67 _r	44.0	42.5	41.1	40.7
Foundries and machine shops.....	1.055	1.047	50.92	49.68 _r	48.3	47.4	43.4	43.3
1. Foundries.....	1.009	1.005	47.81	46.66	47.4	46.4	42.3	42.4
2. Machines and machine tools.....	1.045	1.056 _r	53.06	53.12 _r	50.8	50.3 _r	44.9	44.9
3. Heavy equipment.....	1.159	1.128	56.50	53.13	48.8	47.1	43.3	43.1
4. Hardware and small parts.....	.965	.954	45.54	44.73	47.2	46.9	41.3	41.3
5. Other products.....	1.028	1.027	48.59	47.92	47.2	46.7	43.5	43.4
25 INDUSTRIES.....	\$.970	\$.966	\$42.99	\$42.50 _r	44.2	43.7	41.6	41.5 _r
Cement.....	\$.815	\$.820	\$30.45	\$32.38	37.4	39.5	39.7	39.7
Petroleum refining.....	1.203	1.201	48.34	48.89	40.2	40.7	39.3	38.7
27 INDUSTRIES.....	\$.972	\$.968	\$42.98	\$42.51 _r	44.1	43.7	41.5	41.4 _r
Aircraft.....	\$.972	\$.974	\$44.55	\$44.99	45.8	46.2	46.9	46.9
Shipbuilding.....	1.224	1.231	57.54	57.27	47.0	46.5	47.7	47.7

See footnotes on page 74

WAGE EARNINGS IN TWENTY-FIVE MANUFACTURING INDUSTRIES

Source: THE CONFERENCE BOARD



drop in the work week and the resultant reduction in overtime payments were largely responsible for the November-to-December decline. Employment was also curtailed. Hourly earnings of unskilled male workers were almost \$.02, or 2.5%, lower in December than in November. Hourly earnings of the numerically larger group of semi-skilled and skilled male workers showed exactly the same change as those of all workers. Weekly earnings of all workers averaged \$30.45 in December and were 6.0% below the November earnings of \$32.38.

In the petroleum industry, although average hourly earnings advanced fractionally in December, increased employment caused a reduction in weekly working hours. As a result, weekly earnings declined 1.1% from the November level and averaged \$48.34 in December. Both the average number of hours worked in one week and average hourly earnings of unskilled workers rose slightly in December and raised weekly earnings of this group 2.1% above the November level. Hourly earnings of skilled workers in December remained unchanged at the November level, although shorter hours worked in December served to lower their weekly earnings 1.6%.

Average hourly earnings of all workers in the aircraft industry declined fractionally in December despite the

seeming paradox of increased hourly earnings recorded for all the classes of industrial workers. A substantial increase in the proportion of lower-paid female workers was responsible. The number of hours worked in one week by each group of workers as well as the average hours for all workers was fractionally reduced in December with the result that average weekly earnings also were slightly lower than the November level. Since December, 1941, average weekly earnings of all aircraft workers have risen 5.3%; the 6.1% rise in hourly earnings has been partly offset by an 0.9% shorter work week. Increases in both hourly and weekly earnings would have been substantially greater if the distribution of workers had not changed so greatly in the year-period. In December, 1941, only 1% of all workers were women, 2% were common and unskilled or non-productive male workers and 97% were semi-skilled and skilled male workers. By December, 1942, however, 29% of all workers were women, 3% were common and unskilled male and only 68% were the more highly-paid semi-skilled and skilled male workers.

Workers in the shipbuilding industry averaged \$1.224 per hour in December. This was 0.6% less than their hourly earnings of \$1.231 in November. Both groups of

EARNINGS, EMPLOYMENT, MAN HOURS, AND PAYROLLS, ALL WAGE EARNERS, DECEMBER, 1942

Index Numbers, 1923=100

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	Average Earnings						Employment		Total Man Hours Worked		Payrolls	
	Hourly, Actual		Weekly									
			Actual		Real							
	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.
Agricultural implement.....	187.9	186.7	170.7	167.5	169.0	167.0	148.2	144.9	134.4	130.0	253.0	242.7
Automobile ¹	200.5	201.4	179.6	190.6 _r	177.8	190.0 _r	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Boot and shoe.....	139.4	139.4	119.7	116.6	118.5	116.3	96.6	93.8	83.1	78.6	115.6	109.4
Chemical.....	197.0	194.5 _r	158.6	160.2 _r	157.0	159.7 _r	158.2	157.2 _r	127.4	129.4 _r	250.9	251.8 _r
Cotton—North. *.....	164.3	163.4	148.9	146.2	147.4	145.8	54.6	54.7 _r	49.5	43.7	81.3	71.5
Electrical manufacturing.....	183.8	182.4	179.6	177.4	177.8	176.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Furniture ²	171.4	168.9 _r	162.6	156.9 _r	161.0	156.4 _r	102.5	98.0	97.4	91.0 _r	166.7	153.8 _r
Hosiery and knit goods.....	183.5	183.5	159.5	157.1	157.9	156.6	105.3	104.3	91.4	89.2	168.0	163.9
Iron and steel ³	183.6	183.4	128.5	125.8	127.2	125.4	127.0	126.7	88.5	86.5	163.2	159.4
Leather tanning and finishing.....	173.0	172.8 _r	158.0	153.2 _r	156.4	152.7 _r	86.9	87.0	79.4	77.3	137.3	133.3 _r
Lumber and millwork.....	208.2	208.2	185.6	184.4	183.8	183.8	62.9	64.0	56.0	56.6	116.7	118.0
Meat packing.....	179.9	177.4	156.8	143.8	155.2	143.4	156.0	149.8	136.2	121.8	244.6	215.4
Paint and varnish.....	167.4	171.5	145.0	154.1	143.6	153.6	144.7	142.7	125.2	128.1	209.8	219.9
Paper and pulp.....	169.8	171.2	150.3	149.8	148.8	149.4	115.3	115.1	101.9	100.7	173.3	172.4
Paper products.....	172.6	172.4	159.0	155.7	157.4	155.2	170.5	161.5	157.5	146.6	271.1	251.5
Printing—book and job.....	140.3	143.2	135.1	133.4	133.8	133.0	124.1	118.9	119.5	110.6	167.7	158.6
Printing—news and magazine.....	148.3	149.9	129.8	135.1	128.5	134.7	126.3	124.0	110.6	111.8	163.9	167.5
Rubber.....	168.8	164.7	167.0	159.8	165.3	159.3	112.5	109.3	111.3	105.9	187.9	174.7
Silk and rayon.....	137.1	134.1	127.3	119.4	126.0	119.0	86.3	84.0	80.0	74.6	109.9	100.3
Wool.....	168.3	167.1	151.7	148.2 _r	150.2	147.8 _r	84.5	83.8 _r	76.1	74.2 _r	128.2	124.2 _r
Foundries and machine shops.....	184.1	182.7	179.5	175.1	177.7	174.6	242.0	236.3 _r	235.7	225.9 _r	434.4	413.8 _r
1. Foundries.....	171.0	170.3	161.5	157.6	159.9	157.1	151.8	149.9	143.3	138.5	245.2	236.2
2. Machines and machine tools.....	190.3	192.3 _r	194.4	194.6 _r	192.5	194.0 _r	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
3. Heavy equipment.....	173.0	168.4	171.1	160.9	169.4	160.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4. Hardware and small parts.....	188.5	186.3	183.6	180.3	181.8	179.8	211.9	208.9	206.2	202.0	389.0	376.6
5. Other products.....	183.6	183.4	177.8	175.3	176.0	174.8	274.7	264.9	265.6	253.5	488.4	464.4
25 INDUSTRIES.....	179.3	178.6	161.6	159.7	160.0	159.2	145.1	141.8 _r	130.3	125.9 _r	234.5	226.5 _r

NOTE: No basic 1923 data are available, hence no indexes are given for the following: rubber tires and tubes, other rubber products, woolen and worsted goods, other woolen products, cement, petroleum refining, and "27 industries."

See footnotes on page 74

EARNINGS AND HOURS, MALE AND FEMALE WAGE EARNERS, DECEMBER, 1942

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	ALL MALE						FEMALE					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Av. rage Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.
Agricultural implement.....	\$1.058	\$1.047	\$47.58	\$46.61	45.0	44.5	\$.745	\$.745	\$32.47	\$30.84	43.6	41.4
Automobile ¹	1.293	1.303	55.47	59.16 _r	42.9	45.4 _r	.920	.873	36.34	36.32 _r	39.5	41.6 _r
Boot and shoe.....	.795	.796	31.94	31.17	40.2	39.1	.570	.563	21.55	20.61	37.8	36.6
Chemical.....	1.065	1.048 _r	46.33	46.53 _r	43.5	44.4 _r	.664	.659 _r	26.03	27.28 _r	39.2	41.4 _r
Rayon and allied products.....	.958	.930	39.18	38.04	40.9	40.9	.647	.625	24.07	23.13	37.2	37.0
Cotton—North*.....	.797	.787 _r	35.96	34.95	45.1	44.4 _r	.653	.657 _r	26.95	26.85	41.3	40.9 _r
Electrical manufacturing.....	1.157	1.143	55.44	54.24	47.9	47.5	.752	.746	32.77	32.60	43.6	43.7
Furniture ².....	.903	.891 _r	41.63	40.18 _r	46.1	45.1 _r	.618	.593 _r	25.34	23.72 _r	41.0	40.0
Hosiery and knit goods.....	.893	.883	37.73	36.82	42.2	41.7	.564	.562	22.46	21.88	39.8	38.9
Iron and steel ¹	1.094	1.093	43.98	43.06	40.2	39.4	.....	.....	.....	.....	.....	.....
Leather tanning and finishing.....	.862	.862 _r	37.94	36.85 _r	44.0	42.8	.686	.678	27.50	26.49	40.1	39.1
Lumber and millwork.....	.985	.985	43.46	43.19	44.1	43.8	.....	.....	.....	.....	.....	.....
Meat packing.....	.891	.879	39.56	35.99	44.4	41.0	.671	.667	26.45	25.31	39.4	37.9
Paint and varnish.....	.915	.951	38.52	42.99	42.1	45.2	.668	.677	25.05	25.18	37.5	37.2
Paper and pulp.....	.879	.885	40.61	40.30	46.2	45.6	.607	.608	25.02	24.78	41.2	40.8
Paper products.....	.897	.889	40.86	39.84	45.6	44.8	.587	.585	24.28	23.60	41.3	40.3
Printing—book and job.....	1.034	1.058	46.32	45.71	44.8	43.2	.563	.567	23.87	23.42	42.4	41.3
Printing—news and magazine.....	1.119	1.124	44.07	45.47	39.4	40.5	.591	.615	23.49	25.50	39.8	41.5
Rubber.....	1.208	1.175	55.52	52.85	46.0	45.0	.759	.744	31.37	30.21	41.3	40.6
1. Rubber tires and tubes.....	1.271	1.246	57.26	55.14	45.1	44.2	.834	.825	33.88	32.85	40.6	39.8
2. Other rubber products.....	1.089	1.035	52.01	48.14	47.7	46.5	.702	.684	29.39	28.19	41.9	41.2
Silk and rayon.....	.772	.761	34.58	32.46	44.8	42.7	.531	.517	21.61	20.36	40.7	39.4
Wool.....	.914	.906 _r	40.53	39.19 _r	44.3	43.3	.742	.739	29.88	29.09	40.3	39.4
1. Woolen and worsted goods.....	.895	.892	38.98	38.04	43.6	42.6	.753	.750	29.87	29.57	39.7	39.4
2. Other woolen products ⁴.....	.936	.921 _r	42.35	40.54 _r	45.3	44.0	.723	.717	29.91	28.16	41.4	39.3
Foundries and machine shops.....	1.094	1.081 _r	53.42	51.80	48.8	47.9	.737	.736	32.41	32.15	44.0	43.7
1. Foundries.....	1.016	1.012	48.30	47.15	47.5	46.6	.731	.738	31.61	30.72	43.2	41.6
2. Machines and machine tools.....	1.086	1.090 _r	56.37	55.78 _r	51.9	51.2 _r	.740	.758	32.39	33.14 _r	43.8	43.7
3. Heavy equipment.....	1.159	1.128	56.50	53.13	48.8	47.1	.....	.....	.....	.....	.....	.....
4. Hardware and small parts.....	1.036	1.019	50.11	48.95	48.4	48.0	.689	.685	29.63	29.26	43.0	42.7
5. Other products.....	1.084	1.077	51.83	50.78	47.8	47.2	.753	.749	33.51	33.03	44.5	44.1
25 INDUSTRIES.....	\$1.042	\$1.036	\$46.94	\$46.29 _r	45.0	44.5 _r	\$.649	\$.645 _r	\$26.51	\$25.99	40.7	40.2 _r
Cement.....	.815	.820	\$30.45	\$32.38	37.4	39.5	.....	.....	.....	.....	.....	.....
Petroleum refining.....	1.203	1.201	48.34	48.89	40.2	40.7	.....	.....	.....	.....	.....	.....
27 INDUSTRIES.....	\$1.043	\$1.037	\$46.82	\$46.22 _r	44.9	44.4 _r	.....	.....	.....	.....	.....	.....
Aircraft.....	\$1.044	\$1.037	\$48.86	\$48.95	46.8	47.2	\$.796	\$.795	\$34.39	\$34.42	43.2	43.3
Shipbuilding.....	1.228	1.235	57.72	57.43	47.0	46.5	.856	.816	38.01	37.70	44.4	46.2

See footnotes on page 74

male workers received fractionally lower hourly earnings in December but the small group of female workers earned 4.9% more per hour, probably as a result of their attaining greater skill. The number of hours worked in one week by female and unskilled male workers in December was smaller than during November, but a lengthening of the working hours of the larger group of semi-skilled and skilled male workers raised the average for all workers from 46.5 in November to 47.0 in December. The average weekly earnings of all workers rose 0.5% in December—skilled male workers receiving 1.0% more; women workers, 0.8% more; and unskilled male workers, 3.8% less. All earnings have increased substantially since December, 1941. Average hourly earnings of all male workers increased 16.1% and reflected rises of 29.6% for unskilled workers and 11% for skilled workers. Unskilled workers received 33.6% more per

week, skilled workers, 11.8% more, and the average received by all male workers in December, 1942, was 17.8% more than in December, 1941.

LABOR STATISTICS IN DECEMBER

Hourly earnings at \$.970 in December were 0.4% higher than in November, 11.8% above those a year before and 64.4% greater than in 1929. Weekly earnings, in rising 1.2% in December, exceeded the level of the previous December by 19.2%.

Hours per week advanced 1.1% in December to average 44.2. They were 6.3% more than in December, 1941, and only 8.5% less than in 1929.

"Real" weekly earnings, which are dollar earnings adjusted for changes in the cost of living, averaged 160.0 (1923=100) in December. In the year-period they had risen 10.0% and 49.3% since 1929.

EARNINGS AND HOURS, UNSKILLED AND SKILLED AND SEMI-SKILLED MALE WAGE EARNERS, DECEMBER, 1942

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	UNSKILLED						SKILLED AND SEMI-SKILLED					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.
Agricultural implement.....	\$.845	\$.839	\$37.18	\$35.99	44.0	42.9	\$1.084	\$1.073	\$48.92	\$47.97	45.1	44.7
Automobile ¹	1.035	1.048	43.99	46.85 _r	42.5	44.7 _r	1.328	1.338	56.97	60.88 _r	42.9	45.5 _r
Boot and shoe.....	.451	.450	18.85	17.91	41.8	39.8	.809	.810	32.44	31.67	40.1	39.1
Chemical.....	.893	.883 _r	38.58	38.41 _r	43.2	43.5 _r	1.121	1.102 _r	48.88	49.15 _r	43.6	44.6 _r
Rayon and allied products.....	.703	.688	27.91	27.31	39.7	39.7	.990	.963	40.59	39.39	41.0	40.9
Cotton—North*.....	.714	.715	31.81	31.79	44.5	44.5	.833	.820 _r	37.79	36.36	45.4	44.3 _r
Electrical manufacturing.....	.841	.841	38.52	38.77	45.8	46.1	1.192	1.177	57.34	56.03	48.1	47.6
Furniture ².....	.733	.712 _r	34.08	33.68 _r	46.5	47.3 _r	.946	.936 _r	43.52	41.75 _r	46.0	44.6 _r
Hosiery and knit goods.....	.534	.558	18.51	23.73	34.7	42.6	.923	.918	39.74	38.21	43.0	41.6
Iron and steel ³.....	.846	.846	32.06	32.57	37.9	38.5	1.138	1.137	46.20	44.91	40.6	39.5
Leather tanning and finishing.....	.652	.647	27.91	27.41	42.8	42.4	.909	.911 _r	40.15	38.78 _r	44.2	42.6
Lumber and millwork.....	.738	.743	31.63	31.76	42.9	42.7	1.041	1.047	46.72	46.60	44.9	44.5
Meat packing.....	.747	.743	31.97	29.87	42.8	40.2	.969	.952	43.80	39.41	45.2	41.4
Paint and varnish.....	.784	.790	32.54	34.60	41.5	43.8	.990	1.038	41.88	47.54	42.3	45.8
Paper and pulp.....	.751	.756	33.21	33.14	44.3	43.9	.938	.942	44.09	43.63	47.0	46.3
Paper products.....	.722	.712	32.74	30.75	45.4	43.2	.963	.949	43.98	43.06	45.7	45.4
Printing—book and job.....	.612	.636	27.05	27.48	44.2	43.2	1.174	1.199	52.83	51.80	45.0	43.2
Printing—news and magazine.....	.711	.721	25.77	28.54	36.2	39.6	1.228	1.237	49.48	50.35	40.8	40.7
Rubber.....	.878	.865	41.79	36.94	45.0	42.7	1.217	1.183	55.98	53.32	46.0	45.1
1. Rubber tires and tubes.....	.970	.962	43.84	40.02	45.2	41.6	1.278	1.253	57.60	55.55	45.1	44.3
2. Other rubber products.....	.713	.702	31.93	31.44	44.8	44.8	1.102	1.046	52.70	48.72	47.8	46.6
Wool.....	.744	.742	32.46	31.41	43.6	42.3	.994	.983 _r	44.45	42.98 _r	44.7	43.7
1. Woolen and worsted goods.....	.765	.769	32.71	32.22	42.8	41.9	.978	.970	43.12	41.84	44.1	43.1
2. Other woolen products ⁴.....	.707	.692	31.97	29.89	45.2	43.2	1.009	.995 _r	45.69	44.07 _r	45.3	44.3 _r
Foundries and machine shops.....	.904	.896 _r	43.45	42.37 _r	48.1	47.3	1.137	1.121 _r	56.45	54.48 _r	49.7	48.6 _r
1. Foundries.....	.829	.832	38.69	37.92	46.7	45.6	1.095	1.089	52.49	51.22	47.9	47.0
2. Machines and machine tools.....	.932	.961 _r	47.80	48.54 _r	51.3	50.5 _r	1.119	1.113 _r	58.71	57.69 _r	52.5	51.9 _r
3. Heavy equipment.....	.924	.897	43.83	41.82	47.4	46.6	1.206	1.172	59.50	55.65	49.3	47.5
4. Hardware and small parts.....	.851	.831	40.33	39.37	47.4	47.4	1.056	1.038	51.49	50.29	48.8	48.4
5. Other products.....	.945	.931	45.64	44.10	48.3	47.4	1.119	1.114	54.86	53.70	49.0	48.2
24 INDUSTRIES ⁵	\$.815	\$.814	\$36.02	\$35.88 _r	44.1	44.0	\$1.100	\$1.094 _r	\$50.00	\$49.22 _r	45.4	44.9
Cement.....	\$.700	\$.718	\$25.52	\$28.65	36.5	39.5 _r	\$.831	\$.836	\$31.17	\$32.93	37.5	39.4
Petroleum refining.....	.922	.914	36.60	35.83	39.7	39.2	1.253	1.252	50.50	51.33	40.3	41.0
26 INDUSTRIES ⁶	\$.815	\$.814	\$35.94	\$35.82 _r	43.9	43.9	\$1.100	\$1.094	\$49.86	\$49.12 _r	45.3	44.8
Aircraft.....	\$.986	\$.973	\$43.78	\$44.08	44.4	45.3	\$1.046	\$1.040	\$49.06	\$49.19	46.9	47.3
Shipbuilding.....	1.021	1.052	46.76	48.60	45.8	46.2	1.297	1.306	61.43	60.86	47.4	46.6

NOTE: The wage data here given are for cash payments only and do not take into consideration the value of such wage equivalents as reduced or free house rents or other special services rendered by the company to employees. Various forms of wage equivalents are in use in industrial establishments in many localities, but the part which they play as compensation for work performed cannot be taken into account in a study of this character.

¹Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD; revised data since Jan. 1941, available upon request.²Includes wood, metal, and upholstered household and office furniture.³Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.⁴Silk and rayon industry not included, as adequate data for unskilled and skilled groups are not available for this industry.⁵n.a. Not available for publication; included in total indexes.⁶For complete revision see pp. 75-78.^pPrincipally rugs.^rPreliminary^rRevised

Employment increased 2.3% in December and surpassed the December, 1941, level by 14.4% and that of 1929 by 43.7%.

Man hours worked were 3.5% greater in December. Since December, 1941, they had risen 21.4% and the increase since 1929 amounted to 31.4%.

Payrolls at 234.5 (1923=100) in December, were 3.5% higher than in November, 36.4% higher than in December, 1941, and 116.3% above the 1929 average.

December, 1942, was the peak month of a peak year for labor. More persons were gainfully employed than

in any previous month and they received the highest hourly earnings ever paid since such data have been collected. These workers averaged \$42.99 for working 44.2 hours a week. When changes in living costs are taken into consideration, "real" weekly earnings of manufacturing workers, or the purchasing value of their weekly income, was the greatest since these surveys were begun. Total man hours of work and total payrolls disbursed exceeded all previous levels.

E. B. DUNN
Division of Industrial Economics

Earnings and Hours in the Northern Cotton Industry —Revised Series

THE REVISED averages shown in the accompanying tables are based upon payroll data collected from nineteen establishments located in eight states of the New England, Middle Atlantic and East North Central regions. They embrace establishments that manufacture woven broad goods, narrow goods, thread, yarn and lace, made principally of cotton. They represent a sample of 14% of the wage earners in all the states in the three regions as reported in the 1939 Census of Manufactures.

The revised averages and indexes of earnings and hours include all reports received for each month, while the originally published averages in some months included reports for previous months when current data were not available. In addition, revised indexes of "real" earnings were computed on the basis of revised indexes of the cost of living published in November, 1940. THE CONFERENCE BOARD's averages are based upon a representative sample of establishments, both as to size and location; therefore indexes of employment, man hours and payrolls are adjusted to the levels of the 1939 Census of Manufactures which includes all establishments. In this way the closing of plants and the opening of new plants are taken into consideration.

EMPLOYMENT, MAN HOURS AND PAYROLLS

With a large portion of the cotton industry having migrated to the South and the use of cotton substantially reduced, employment, man hours and payrolls in the Northern cotton industry have never since attained the levels that prevailed in the base year of 1923.

In general, the Northern cotton industry has been relatively unaffected by the present world conflict. The post-depression peak for employment of 56.9 (1923=100), which was reached in March, 1942, was only 29.3% higher than that of August, 1939, and 26.7% higher than in January, 1935. But this recent peak was substantially below the levels that prevailed before June, 1930, and was slightly lower than in the peak production month of 1933. This record contrasts sharply with that of the twenty-five manufacturing industries combined, in which all previous employment peaks have been surpassed each consecutive month since March, 1941.

In the Northern cotton industry the peak in total man hours, in recent years, was reached in March, 1942. The average of 49.6 (1923=100) exceeded the August, 1939, level by 47.6% and the January, 1935, level by 43.4%. Because of recent trends to shorten the work week, the March, 1942, peak was well below levels prior

to June, 1930, and also below the peak production months of 1931 and 1933. In the twenty-five manufacturing industries, man hours have reached new high totals each month since March, 1942.

Total payrolls, which reflect changes in weekly earnings as well as in employment, rose to a post-depression peak level for this industry in December, 1942, when they were larger than in any other month since April, 1926. Since August, 1939, they have advanced 122.1% and since January, 1935, the increase has amounted to 134.3%. The movements of this series for the cotton industry are more nearly similar to those of the twenty-five industries combined than are those of either employment or total man hours.

EARNINGS AND HOURS

Average hourly earnings of all workers engaged in cotton manufacturing in the North reached an all-time high level of \$.731 in December, 1942. Since the outbreak of the war in Europe hourly earnings have risen 51.3%, largely as a result of wage-rate increases. Overtime payments also contributed substantially toward this rise in hourly earnings since more than 40 hours of work a week were averaged in every month since November, 1941. Throughout 1939, hourly earnings remained relatively stable at about \$.490. In December of that year they advanced slightly and varied only fractionally from that level through March, 1941. Sizeable wage-rate increases granted in April and October of that year raised hourly earnings to \$.612 in the latter month. Premium payments for overtime work brought the average up to \$.642 in April, 1942. On June 15, a citation of the War Labor Board brought about an increase of \$.075 per hour to a large number of workers. This upward adjustment in rates and the further expansion of working time to more than 42 hours per week raised hourly earnings to \$.731 in December, 1942.

Average weekly earnings, showing the effects of both higher hourly earnings and longer working hours, rose to a peak level of \$31.62 in December, 1942. This average exceeded the previous high of June, 1920, by 21.3%. Since January, 1935, average weekly earnings have advanced 92.9%. "Real" weekly earnings, or dollar earnings adjusted for changes in living costs, have surpassed the previous peak level of May, 1923, every month since October, 1940. The highest level, 148.2 (1923=100) was reached in September, 1942. In October and November, 1942, living costs rose slightly more than dollar weekly earnings, but in December, the reverse occurred and real weekly earnings rose to 147.4. Although fractionally lower than in September, the

**TABLE 1: EARNINGS, HOURS, EMPLOYMENT, MAN HOURS AND PAYROLLS IN THE NORTHERN COTTON INDUSTRY
1935-1942, ALL WAGE EARNERS¹**

Source: THE CONFERENCE BOARD

Index Numbers, 1923=100

Source: THE CONFERENCE BOARD																		
Year and Month	Hourly Earnings			Hours per Week per Earner	Employment	Total Man Hours	Payrolls	Year and Month		Hourly Earnings		Weekly Earnings		Hours per Week per Earner	Employment	Total Man Hours	Payrolls	
	Actual	Real	Actual							Real								
1935	January.....	100.0	123.2	95.1	77.0	44.9	34.6	34.7	1939	January.....	109.9	129.8	89.3	105.4	81.2	39.7	32.2	35.5
	February.....	100.4	122.7	94.9	77.2	44.9	34.8	34.8	February.....	110.6	131.0	88.8	105.2	80.3	40.3	32.4	35.8	
	March.....	100.7	123.3	94.6	76.6	44.6	34.2	34.5	March.....	111.0	131.6	89.2	105.8	80.3	40.8	32.8	36.4	
	April.....	101.1	122.8	95.0	77.2	42.9	33.1	33.5	April.....	110.8	131.6	87.9	104.4	79.1	41.6	32.9	36.6	
	May.....	101.1	123.3	95.0	75.1	42.9	31.8	32.2	May.....	109.9	130.7	85.0	101.1	77.2	40.5	31.3	34.4	
	June.....	101.6	124.1	91.8	73.8	41.4	30.6	31.1	June.....	109.9	131.1	84.5	100.8	76.8	40.9	31.4	34.6	
	July.....	101.1	123.6	91.8	74.3	40.4	30.0	30.3	July.....	109.2	129.7	83.7	99.4	76.6	42.9	32.9	35.9	
	August.....	100.9	123.2	91.8	75.3	40.8	30.7	31.0	August.....	108.5	129.2	83.2	99.0	76.4	44.0	33.6	36.6	
	September.....	100.9	122.5	94.1	76.8	42.4	32.6	32.9	September.....	109.4	128.3	88.8	104.1	81.2	47.3	38.4	42.0	
	October.....	100.0	121.1	94.7	78.0	44.2	34.5	34.6	October.....	109.4	128.3	88.8	104.1	81.2	47.3	38.0	42.3	
	November.....	100.7	121.3	95.3	74.7	43.7	32.6	32.9	November.....	111.5	131.0	89.3	104.9	80.1	47.4	38.6	43.8	
	December.....	99.8	119.7	93.4	78.0	42.2	32.9	32.9	December.....	113.5	134.2	92.7	109.6	81.6	47.3	38.6	43.8	
	Annual average.....	100.7	122.5	93.4	76.2	42.9	32.7	33.0	Annual average.....	110.3	130.5	87.4	103.4	79.1	43.1	34.1	37.7	
1936	January.....	101.1	121.4	95.9	78.9	40.2	31.7	32.1	1940	January.....	113.7	134.4	90.5	107.0	79.5	47.1	37.4	42.6
	February.....	100.7	121.3	96.6	79.7	40.3	32.1	32.3	February.....	114.2	134.2	89.9	105.6	78.7	46.8	36.8	42.1	
	March.....	100.9	122.0	97.5	79.9	40.1	32.0	32.3	March.....	114.6	135.1	90.2	106.4	78.7	45.5	35.8	41.0	
	April.....	100.9	121.9	97.7	80.1	36.7	29.4	29.7	April.....	114.6	134.8	89.5	105.3	78.0	45.7	35.6	40.9	
	May.....	100.9	121.7	95.5	78.2	35.3	27.6	28.0	May.....	115.3	135.3	89.3	104.8	77.4	44.4	34.4	39.6	
	June.....	100.7	120.0	93.9	78.0	35.9	28.0	28.3	June.....	114.8	134.3	88.4	102.6	77.0	44.3	32.2	36.9	
	July.....	101.6	120.7	93.7	77.6	35.8	27.8	28.2	July.....	113.9	133.4	87.8	102.6	77.0	45.9	35.3	40.3	
	August.....	100.9	118.8	95.5	80.3	36.9	29.6	29.9	August.....	115.7	135.0	89.8	104.8	77.4	46.1	35.4	40.5	
	September.....	101.3	118.6	97.4	82.0	38.0	31.2	31.6	September.....	115.7	135.1	93.9	109.8	81.2	48.3	39.2	45.4	
	October.....	101.3	118.9	97.4	82.0	42.1	34.5	35.1	October.....	115.5	135.1	94.6	110.6	81.8	48.5	39.7	45.9	
	November.....	101.3	119.0	97.4	81.6	43.1	35.2	35.7	November.....	115.5	135.1	94.6	110.6	81.6	49.6	40.5	46.9	
	December.....	107.0	125.6	106.2	84.5	44.9	37.9	40.6	December.....	116.0	135.0	94.6	110.6	81.6	49.6	40.5	46.9	
	Annual average.....	101.6	120.8	97.0	80.3	39.1	31.4	31.9	Annual average.....	114.8	134.6	90.1	105.6	78.5	46.6	36.6	42.0	
1937	January.....	109.9	138.1	93.5	84.9	46.9	39.8	43.9	1941	January.....	115.7	134.5	93.5	108.7	80.8	49.7	40.2	46.5
	February.....	108.5	125.9	91.0	83.7	47.3	39.9	43.4	February.....	117.8	136.8	97.6	113.4	82.8	49.9	41.3	48.7	
	March.....	109.2	125.4	91.0	83.3	48.3	40.2	44.0	March.....	118.7	137.5	99.9	115.8	84.1	52.4	44.1	52.3	
	April.....	114.4	131.0	93.6	81.8	49.0	40.1	45.9	April.....	123.1	141.7	101.5	116.8	82.4	54.1	44.6	54.9	
	May.....	116.2	132.3	93.0	79.9	47.5	38.0	44.2	May.....	122.9	140.6	102.5	117.3	83.3	54.2	45.1	55.6	
	June.....	116.4	132.4	92.2	79.1	46.2	36.5	42.6	June.....	124.3	140.5	105.4	119.1	84.7	54.3	46.0	57.2	
	July.....	116.6	132.2	92.4	79.1	46.0	36.4	42.5	July.....	125.4	141.1	104.8	117.9	83.5	54.9	45.8	57.5	
	August.....	117.1	132.2	91.3	77.8	44.9	34.9	41.0	August.....	126.3	141.3	104.2	116.6	82.4	54.0	44.5	56.3	
	September.....	118.9	133.3	93.4	78.5	43.3	34.1	40.4	September.....	133.7	147.2	113.8	124.8	84.7	48.8	41.3	55.3	
	October.....	119.8	134.3	91.4	76.2	42.6	32.5	36.9	October.....	137.5	149.5	111.6	121.3	81.0	54.2	43.9	60.5	
	November.....	119.3	134.8	87.7	73.4	40.7	29.9	35.7	November.....	137.8	148.3	116.8	125.7	84.5	56.1	47.4	65.5	
	December.....	120.2	136.6	87.9	73.0	37.4	27.3	32.9	December.....	137.8	147.9	118.1	126.7	85.6	56.2	48.1	66.4	
	Annual average.....	115.5	131.5	91.5	79.3	45.0	35.7	41.2	Annual average.....	126.7	142.4	105.8	118.9	83.3	53.2	44.3	56.3	
1938	January.....	120.9	139.1	92.6	85.1	34.8	23.7	28.7	1942	January.....	138.4	146.5	119.5	126.5	86.2	56.2	48.4	67.2
	February.....	116.2	135.0	94.7	82.8	33.8	24.6	28.6	February.....	139.8	147.0	121.4	127.7	86.6	56.3	48.8	68.3	
	March.....	115.1	133.7	94.2	72.8	33.6	24.6	28.3	March.....	140.7	146.4	122.8	127.8	87.2	56.9	49.6	69.9	
	April.....	115.5	134.0	93.9	72.6	34.6	25.1	29.0	April.....	144.3	148.6	126.2	130.0	87.4	56.7	49.6	71.6	
	May.....	111.5	130.1	79.8	71.5	34.3	24.5	27.4	May.....	146.1	150.2	126.6	130.1	86.6	56.3	48.6	71.3	
	June.....	111.0	129.5	79.3	71.3	33.0	23.5	26.2	June.....	147.2	151.3	128.1	131.7	86.8	55.7	48.3	71.4	
	July.....	111.0	128.5	80.7	73.2	33.7	24.7	27.2	July.....	147.6	151.9	129.2	132.1	87.4	55.3	48.3	71.4	
	August.....	110.3	129.3	83.2	75.3	36.0	27.1	30.0	August.....	150.6	153.5	132.1	134.7	87.4	54.4	47.5	71.9	
	September.....	109.4	128.0	86.0	78.5	38.6	30.3	33.2	September.....	163.8	166.1	146.1	148.2	89.1	55.0	49.0	80.4	
	October.....	108.5	127.3	86.8	79.9	39.5	31.6	34.3	October.....	164.0	164.5	146.6	147.0	88.1	55.2	49.2	80.9	
	November.....	109.0	128.4	86.7	79.5	40.2	32.0	34.9	November.....	163.4	162.9	146.2	145.8	89.3	54.7	48.8	80.0	
	December.....	110.1	129.4	87.3	79.3	40.4	32.0	35.3	December.....	164.3	162.7	148.9	147.4	90.6	54.6	49.5	81.3	
	Annual average.....	112.4	131.2	88.8	74.7	36.0	26.9	30.2	Annual average.....	150.8	154.4	132.8	135.9	87.9	55.6	48.9	73.8	

¹This table revises and brings up to date figures published in "Wages, Hours and Employment in the United States, 1914-1936," Table 9, pp. 72-75; Supplement to Conference Board Service Letter, June, 1938; Table 4, p. 7, and Tables 7-9, pp. 19-21; and The Conference Board Economic Record, March 25, 1940; Table 4, pp. 121-122 and Tables 8-10, pp. 139-141.

TABLE 2: EARNINGS AND HOURS IN THE NORTHERN COTTON INDUSTRY, 1939-1942
ALL WAGE EARNERS AND BY SEX¹

Source: THE CONFERENCE BOARD

Year and Month	All Wage Earners				All Male			Female		
	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner	Average Nominal Hours per Week per Wage Earner	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner
1939 January.....	\$. 489	\$18.96	38.8	40.0	\$. 543	\$21.87	40.3	\$. 421	\$15.56	37.0
February.....	.492	18.86	38.4	39.9	.544	21.56	39.6	.424	15.62	36.9
March.....	.494	18.94	38.4	39.9	.544	21.61	39.8	.426	15.60	36.6
April.....	.493	18.66	37.8	39.9	.539	21.24	39.4	.429	15.37	35.8
May.....	.489	18.05	36.9	39.9	.540	20.54	38.1	.421	14.95	35.5
June.....	.489	17.94	36.7	39.9	.537	20.48	38.1	.421	14.65	34.8
July.....	.486	17.77	36.6	39.9	.531	20.38	38.4	.420	14.42	34.3
August.....	.483	17.67	36.5	39.9	.528	20.13	38.2	.419	14.41	34.4
September.....	.487	18.32	37.6	39.9	.533	20.86	39.2	.421	14.98	35.6
October.....	.487	18.87	38.8	39.9	.532	21.45	40.3	.421	15.43	36.7
November.....	.496	18.96	38.3	39.9	.542	21.58	39.9	.432	15.64	36.2
December.....	.505	19.69	39.0	39.9	.546	22.24	40.7	.447	16.44	36.8
Annual average..	.491	18.56	37.8	39.9	.538	21.16	39.3	.425	15.26	35.9
1940 January.....	.506	19.23	38.0	39.9	.552	21.50	38.9	.443	16.29	36.8
February.....	.508	19.09	37.6	39.9	.555	21.34	38.5	.444	16.15	36.4
March.....	.510	19.16	37.6	39.9	.555	21.51	38.8	.448	16.11	36.0
April.....	.510	19.02	37.3	39.9	.555	21.37	38.5	.447	16.01	35.8
May.....	.513	18.96	37.0	39.9	.557	21.30	38.2	.449	15.88	35.4
June.....	.511	17.72	34.7	39.9	.556	20.30	36.5	.445	14.37	32.3
July.....	.507	18.67	36.8	39.9	.553	20.96	37.9	.445	15.79	35.5
August.....	.507	18.64	36.7	39.9	.553	20.89	37.8	.445	15.74	35.4
September.....	.515	19.07	37.0	39.9	.560	21.66	38.7	.451	15.75	34.9
October.....	.514	19.95	38.8	40.0	.560	22.61	40.4	.445	16.33	36.7
November.....	.514	20.09	39.1	40.0	.561	22.78	40.6	.447	16.56	37.0
December.....	.516	20.10	39.0	40.0	.562	22.74	40.4	.450	16.69	37.1
Annual average..	.511	19.14	37.5	39.9	.557	21.58	38.8	.447	15.97	35.8
1941 January.....	.515	19.87	38.6	40.0	.564	22.41	39.7	.448	16.59	37.0
February.....	.524	20.73	39.6	40.0	.573	23.53	41.1	.455	17.13	37.7
March.....	.528	21.21	40.2	40.0	.577	23.99	41.6	.461	17.70	38.4
April.....	.548	21.56	39.4	40.0	.601	24.60	40.9	.476	17.81	37.4
May.....	.547	21.77	39.8	40.0	.599	24.68	41.2	.478	18.22	38.1
June.....	.553	22.39	40.5	40.3	.604	25.60	42.4	.484	18.49	38.2
July.....	.558	22.26	39.9	40.3	.609	25.33	41.6	.489	18.53	37.9
August.....	.562	22.14	39.4	40.0	.617	25.19	40.9	.488	18.38	37.6
September.....	.595	24.07	40.5	40.0	.660	27.72	42.0	.511	19.77	38.7
October.....	.612	23.70	38.7	40.0	.671	26.86	40.0	.536	19.95	37.2
November.....	.613	24.81	40.4	40.0	.670	28.02	41.8	.540	20.96	38.8
December.....	.613	25.09	40.9	40.3	.670	28.12	41.9	.542	21.50	39.6
Annual average..	.564	22.47	39.8	40.1	.618	25.50	41.3	.492	18.75	38.1
1942 January.....	.616	25.39	41.2	40.3	.671	28.47	42.5	.547	21.78	39.8
February.....	.622	25.79	41.4	40.3	.679	28.97	42.7	.551	22.08	40.0
March.....	.626	26.08	41.7	40.5	.685	29.49	43.1	.554	22.17	40.0
April.....	.642	26.81	41.8	40.6	.705	30.23	42.9	.566	22.91	40.5
May.....	.650	26.89	41.4	40.6	.709	30.32	42.8	.577	22.96	39.8
June.....	.655	27.20	41.5	40.5	.719	30.47	42.4	.577	23.37	40.5
July.....	.657	27.45	41.8	40.1	.718	31.07	43.3	.582	23.31	40.1
August.....	.670	28.05	41.8	40.5	.731	31.92	43.7	.591	23.47	39.7
September.....	.729	31.03	42.6	40.5	.785	34.87	44.4	.660	26.79	40.6
October.....	.730	31.14	42.6	40.5	.786	35.12	44.7	.663	26.81	40.4
November.....	.727	31.06	42.7	40.5	.787	34.95	44.4	.657	26.85	40.9
December.....	.731	31.62	43.3	40.5	.797	35.96	45.1	.653	26.95	41.3
Annual average..	.671	28.21	42.0	40.5	.731	31.82	43.5	.598	24.12	40.3

¹This table revises and brings up to date figures published in "Wages, Hours and Employment in the United States, 1914-1936," Table 9, pp. 72-75; and Supplement to Conference Board Service Letter, June, 1938, Table 4, p. 7; and *The Conference Board Economic Record*, Table 4, pp. 121-122.

Hourly earnings are not wage rates because they include overtime and incentive payments.

December index was higher than in any other previous month, and the purchasing power of this weekly income in December was 35.6% greater than in January, 1941. These workers also had greater buying power in 1942

than in any other year since these surveys were begun.

Earnings and hours of all male workers followed closely the trends of those of all workers in the industry. Hourly and weekly earnings reached record heights in

TABLE 3 EARNINGS AND HOURS IN THE NORTHERN COTTON INDUSTRY, 1939-1942, MALE BY SKILL¹
Source: THE CONFERENCE BOARD

Year and Month	Unskilled			Skilled and Semi-Skilled			Year and Month	Unskilled			Skilled and Semi-Skilled		
	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner		Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner
1939 January.....	\$.496	\$20.22	40.8	\$.561	\$22.51	40.1	1941 January.....	\$.518	\$20.40	39.4	\$.582	\$23.19	39.9
February.....	.496	20.09	40.6	.564	22.13	39.3	February.....	.517	20.96	40.5	.593	24.51	41.3
March.....	.496	19.87	40.1	.562	22.28	39.6	March.....	.519	21.42	41.3	.599	24.97	41.7
April.....	.493	19.59	39.8	.557	21.86	39.3	April.....	.552	22.62	41.0	.620	25.35	40.9
May.....	.511	20.23	39.6	.550	20.64	37.5	May.....	.550	22.95	41.7	.619	25.35	41.0
June.....	.499	19.87	39.8	.553	20.71	37.5	June.....	.559	24.08	43.1	.622	26.20	42.1
July.....	.490	19.26	39.3	.548	20.81	38.0	July.....	.558	23.28	41.7	.630	26.15	41.5
August.....	.486	19.08	39.2	.543	20.52	37.8	August.....	.563	22.49	39.9	.637	26.26	41.2
September.....	.483	18.58	38.5	.550	21.68	39.4	September.....	.586	23.71	40.5	.690	29.39	42.6
October.....	.484	19.65	40.6	.551	22.17	40.2	October.....	.616	24.63	40.0	.693	27.74	40.0
November.....	.496	20.05	40.4	.560	22.18	39.6	November.....	.613	25.28	41.2	.693	29.14	42.0
December.....	.493	21.29	43.2	.569	22.60	39.7	December.....	.613	25.06	40.9	.693	29.37	42.4
Annual average.....	.494	19.82	40.2	.556	21.67	39.0	Annual average.....	.564	23.07	40.9	.639	26.47	41.4
1940 January.....	.514	19.65	38.2	.567	22.22	39.2	1942 January.....	.615	25.51	41.5	.693	29.70	42.9
February.....	.514	19.46	37.9	.570	22.07	38.7	February.....	.610	25.28	41.4	.707	30.52	43.2
March.....	.510	19.08	37.4	.572	22.46	39.3	March.....	.612	25.56	41.7	.713	31.11	43.6
April.....	.510	19.19	37.6	.573	22.23	38.8	April.....	.628	26.67	42.4	.735	31.66	43.1
May.....	.517	20.17	39.0	.574	21.74	37.9	May.....	.628	25.95	41.3	.742	32.16	43.4
June.....	.516	19.68	38.2	.572	20.54	35.9	June.....	.646	27.13	42.0	.748	31.84	42.6
July.....	.508	19.59	38.5	.570	21.46	37.7	July.....	.640	27.80	43.4	.751	32.45	43.2
August.....	.508	19.57	38.5	.570	21.86	37.5	August.....	.678	29.33	43.3	.753	33.03	43.8
September.....	.508	19.61	38.6	.579	22.43	38.7	September.....	.705	31.03	44.0	.822	36.63	44.6
October.....	.514	20.69	40.2	.578	23.34	40.4	October.....	.710	31.79	44.8	.821	36.63	44.6
November.....	.513	20.52	40.0	.579	23.62	40.8	November.....	.715	31.79	44.5	.820	36.36	44.3
December.....	.517	20.84	40.3	.580	23.48	40.5	December.....	.714	31.81	44.5	.833	37.79	45.4
Annual average.....	.512	19.84	38.7	.574	22.25	38.8	Annual average.....	.658	28.30	42.9	.762	33.32	43.7

¹This table revises and brings up to date figures published in "Wages, Hours and Employment in the United States, 1914-1936," Table 9, pp. 72-75; and Supplement to Conference Board Service Letter, June, 1938, Table 4, p. 7; and The Conference Board Economic Record, Table 4, pp. 121-122.
Hourly earnings are not wage rates because they include overtime and incentive payments.

December, 1942, and more hours were worked per week than in any other month in recent years. Hourly earnings were 50.9% higher than in August, 1939, and 41.3% higher than in January, 1941. Hours worked a week rose from 40.3 in January, 1939, to 45.1 in December, 1942, an increase of 11.9%. Weekly earnings climbed 64.4%, and 60.5% since January, 1941.

Similarly, weekly earnings of female workers in this industry rose to a peak level in December, 1942, when their average work week was the longest since July, 1933. Hourly earnings, however, reached a peak in October, 1942, and tapered off slightly in November and December. The December average of \$.653 was only 1.5% below the peak and exceeded the January, 1939, level by 55.1%.

Semi-skilled and skilled male workers received \$37.79 for a week's work in December, 1942, the highest weekly return ever received by this group of workers. The highest weekly earnings previously recorded had been \$29.99 in June, 1920, an amount that has been exceeded in every month since February, 1942. Substantially higher hourly earnings were responsible, this group of workers having averaged more than \$.70 an hour in every month since February, 1942, and only \$.611 an hour in June, 1920. In December, 1942, their hourly earnings reached a peak of \$.833—as against

\$.543 an hour in August, 1939. Since January, 1941, their hourly earnings have climbed from \$.582 to \$.833, or 43.1%. Working hours have increased from 37.8 a week from August, 1939, to 45.4 hours a week in December, 1942. Thus, more hours were averaged per week in December than in any other month since July, 1933.

Common and unskilled male workers also earned more a week in December, 1942, than ever before. Their weekly earnings of \$31.81, although only fractionally higher than in October and November, surpassed the June, 1920, peak of \$25.80 by 23.3%. That peak has been exceeded in April, 1942, and in all successive months. In December, 1942, these workers received \$.714 an hour and worked an average of 44.5 hours a week. Although they had received \$.715 for an hour's work in November and had worked 44.8 hours in October, the December levels of both series were only fractionally lower. The rise from the predepression peak level of hourly earnings in October, 1920, when they averaged \$.502, to December, 1942, was 42.2%. Since August, 1939, they have increased 46.9% and since January, 1941, they have advanced 37.8%.

E. B. DUNN
Division of Industrial Economics

Cost of Living, United States and 70 Cities, January

THE COST of living of wage earners' families in the United States rose 0.4% between December 15, 1942, and January 15, 1943. During the month, retail coal prices advanced substantially—1.8%—and there were further gains of 0.7% in food costs and of 0.2% in the sundries group. Housing costs remained unchanged, marking the seventh consecutive month that rents have not varied. THE CONFERENCE BOARD's index of living costs advanced in January to 101.4 (1923 = 100), or 7.3% above that of a year ago, and was 17.9% more than in January, 1941.

Living costs advanced in sixty-one of the seventy industrial cities surveyed monthly by THE CONFERENCE BOARD. Dayton, Ohio, recorded the largest increase over the month, 1.3%. Two cities, Boston and Lansing, remained at the same level as in the previous month, while seven declined.

Revised indexes of living costs for Akron, Baltimore, Boston, Kansas City, Missouri, Minneapolis, and Parkersburg, West Virginia, appear on pages 85-87.

H. S. HILL

Division of Industrial Economics

CHANGES IN THE COST OF LIVING, JANUARY, 1943

Item	Budgetary Weights ¹	Index Numbers, 1923 = 100			Percentage Changes	
		January, 1943	December, 1942	January, 1942	December, 1942 to January, 1943	January, 1942 to January, 1943
Food ²	33	109.1	108.3	95.2	+0.7	+14.6
Housing.....	20	90.8	90.8	90.1	0	+0.8
Clothing.....	12	88.6	88.6	82.4	0	+7.5
Men's.....	...	98.1	98.1	91.4	0	+7.3
Women's.....	...	79.0	79.0	73.4	0	+7.6
Fuel and light.....	5	91.7	90.6	90.3	+1.2	+1.6
Coal.....	...	94.7	93.0	92.6	+1.8	+2.3
Electricity ³.....	...	67.5	67.5	67.6	0	-0.1
Gas ⁴.....	...	94.8	94.8	94.7	0	+0.1
Sundries.....	30	106.6	106.4	102.5	+0.2	+4.0
Weighted average of all items.....	100	101.4	101.0	94.5	+0.4	+7.3
Purchasing value of dollar.....	...	98.6	99.0	105.8	-0.4	-6.8

¹Relative importance in post World War I family budget.

²Based on THE CONFERENCE BOARD's indexes of food prices January 15, 1942, December 15, 1942, and January 15, 1943.

³Based upon retail prices of 35 kilowatt-hours of electricity.

⁴Based upon retail prices of 1,000 cubic feet of natural gas, or 2,000 cubic feet of manufactured gas.

COST OF LIVING OF WAGE EARNERS IN THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

Index Numbers, 1923 = 100

Date	Weighted Average of All Items	Food	Housing	Clothing			Fuel and Light				Sundries	Purchasing Value of Dollar
				Total	Men's	Women's	Total	Coal	Electricity	Gas		
1942 January.....	94.5	95.2	90.1	82.4	91.4	73.4	90.3	92.6	67.6	94.7	102.5	105.8
February.....	95.1	95.7	90.4	84.5	93.6	75.3	90.4	92.7	67.6	94.7	102.9	105.2
March.....	96.1	97.5	90.7	85.8	95.2	76.4	90.4	92.8	67.6	94.7	103.5	104.1
April.....	97.1	98.8	91.0	88.4	98.3	78.5	90.1	92.3	67.6	94.7	104.1	103.0
May.....	97.3	99.1	91.1	88.6	98.0	79.1	90.5	92.9	67.6	94.7	104.2	102.8
June.....	97.3	99.5	91.0	88.1	97.8	78.3	90.4	92.8	67.6	94.7	104.1	102.8
July.....	97.8	100.3	90.8	88.0	97.6	78.4	90.4	92.8	67.5	94.8	105.0	102.2
August.....	98.1	101.1	90.8	88.2	97.7	78.6	90.4	92.8	67.5	94.8	105.0	101.9
September.....	98.6	102.8	90.8	88.4	97.8	78.9	90.5	92.9	67.5	94.8	104.7	101.4
October.....	99.7	105.4	90.8	88.5	97.9	79.0	90.5	92.9	67.5	94.8	105.4	100.3
November.....	100.3	106.5	90.8	88.6	98.1	79.0	90.5	92.9	67.5	94.8	106.2	99.7
December.....	101.0	108.3	90.8	88.6	98.1	79.0	90.6	93.0	67.5	94.8	106.4	99.0
1942 Annual Average.....	97.7	100.9	90.8	87.3	96.8	77.8	90.4	92.8	67.6	94.8	104.5	102.4
1943 January.....	101.4	109.1	90.8	88.6	98.1	79.0	91.7	94.7	67.5	94.8	106.6	98.6

r Revised

COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 62 CITIES DURING DECEMBER, 1942 AND JANUARY, 1943

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939 = 100

CITY	Index Numbers Jan., 1939 = 100			Percentage Changes		CITY	Index Numbers Jan., 1939 = 100			Percentage Changes	
	Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943		Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943
Akron						Chattanooga					
Food.....	147.7	147.2 _r	131.0 _r	+0.3	+12.7	Food.....	155.2	153.8	131.2	+0.9	+18.3
Housing.....	113.7	113.7 _r	121.1	0	-6.1	Housing.....	103.7	103.7	103.4	0	+0.3
Clothing.....	121.3	121.3	116.3	0	+4.3	Clothing.....	118.4	118.3	109.9	+0.1	+7.7
Fuel and light.....	110.5	109.9 _r	111.0 _r	+0.5	-0.5	Fuel and light.....	106.8	104.8	104.7	+1.9	+2.0
Housefurnishings.....	118.4	118.4	115.5	0	+2.5	Housefurnishings.....	121.5	121.5	118.5	0	+2.5
Sundries.....	112.0	111.8 _r	106.8 _r	+0.2	+4.9	Sundries.....	102.9	102.7	100.3	+0.2	+2.6
Weighted Total.....	124.0	123.7 _r	118.0 _r	+0.2	+5.1	Weighted Total.....	121.0	120.4	112.1	+0.5	+7.9
Atlanta						Chicago					
Food.....	139.1	135.9	122.8	+2.4	+13.3	Food.....	136.6	136.1	119.9	+0.4	+13.9
Housing.....	99.2	99.2	99.2	0	0	Housing.....	105.5	105.5	102.9	0	+2.5
Clothing.....	118.2	118.2	112.0	0	+5.5	Clothing.....	122.5	122.5	113.9	0	+7.6
Fuel and light.....	113.1	111.6	111.8	+1.3	+1.2	Fuel and light.....	100.6	100.0	100.2	+0.6	+0.4
Housefurnishings.....	117.1	117.1	114.8	0	+2.0	Housefurnishings.....	124.7	124.7	119.4	0	+4.4
Sundries.....	107.9	107.6	104.6	+0.3	+3.2	Sundries.....	104.6	104.2 _r	101.4	+0.4	+3.2
Weighted Total.....	118.1	116.9	111.1	+1.0	+6.3	Weighted Total.....	117.3	117.1 _r	109.4	+0.2	+7.2
Baltimore						Cincinnati					
Food.....	147.0	144.2 _r	123.5 _r	+1.9	+19.0	Food.....	134.5	132.3	117.3	+1.7	+14.7
Housing.....	103.2	103.2	111.9	0	-7.8	Housing.....	100.9	100.9	100.8	0	+0.1
Clothing.....	120.5	120.5	110.8	0	+8.8	Clothing.....	121.7	121.7	111.8	0	+8.9
Fuel and light.....	105.0	102.7 _r	102.5 _r	+2.2	+2.4	Fuel and light.....	106.4	106.2	106.0	+0.2	+0.4
Housefurnishings.....	130.6	130.6	127.0	0	+2.8	Housefurnishings.....	124.1	124.1	116.5	0	+6.5
Sundries.....	112.3	112.2 _r	108.1 _r	+0.1	+3.9	Sundries.....	106.5	106.3	103.7	+0.2	+2.7
Weighted Total.....	123.9	122.7 _r	114.9 _r	+1.0	+7.8	Weighted Total.....	117.4	116.7	109.4	+0.6	+7.3
Birmingham						Cleveland					
Food.....	142.0	139.6	127.1	+1.7	+11.7	Food.....	134.7	133.5	119.8	+0.9	+12.4
Housing.....	106.5	106.5	106.9	0	-0.4	Housing.....	104.7	104.7	105.4	0	-0.7
Clothing.....	124.7	124.7	116.5	0	+7.0	Clothing.....	126.9	126.9	118.4	0	+7.2
Fuel and light.....	107.9	107.4	106.8	+0.5	+1.0	Fuel and light.....	106.3	105.7	106.1	+0.6	+0.2
Housefurnishings.....	117.8	117.8	115.3	0	+2.2	Housefurnishings.....	118.2	118.2	116.6	0	+1.4
Sundries.....	103.4	103.2	100.5	+0.2	+2.9	Sundries.....	104.9	104.7	101.9	+0.2	+2.9
Weighted Total.....	118.6	117.8	112.2	+0.7	+5.7	Weighted Total.....	117.1	116.6	110.8	+0.4	+5.7
Boston						Dallas					
Food.....	133.5	134.4 _r	117.7 _r	-0.7	+13.4	Food.....	141.0	140.2	121.4	+0.6	+16.1
Housing.....	103.6	103.6	103.2	0	+0.4	Housing.....	105.6	105.6	101.6	0	+3.9
Clothing.....	125.1	125.1	115.6	0	+8.2	Clothing.....	122.8	122.8	114.9	0	+6.9
Fuel and light.....	120.9	118.2 _r	111.4 _r	+2.3	+8.5	Fuel and light.....	93.3	93.3	100.0	0	-6.7
Housefurnishings.....	122.5	122.5	119.1	0	+2.9	Housefurnishings.....	127.9	127.9	122.9	0	+4.1
Sundries.....	111.3	111.2 _r	106.8 _r	+0.1	+4.2	Sundries.....	112.1	111.4	106.9	+0.6	+4.9
Weighted Total.....	120.3	120.3 _r	111.7 _r	0	+7.7	Weighted Total.....	119.8	119.3	111.4	+0.4	+7.5
Bridgeport						Dayton					
Food.....	139.4	138.6	124.1	+0.6	+12.3	Food.....	132.2	128.5	116.4	+2.9	+13.6
Housing.....	106.9	106.9	110.1	0	-2.9	Housing.....	105.1	105.1	111.5	0	-5.7
Clothing.....	124.9	125.0	114.7	-0.1	+8.9	Clothing.....	121.5	121.5	112.6	0	+7.9
Fuel and light.....	110.5	107.6	106.4	+2.7	+3.9	Fuel and light.....	109.3	105.5	105.2	+3.6	+3.9
Housefurnishings.....	126.4	126.4	119.9	0	+5.4	Housefurnishings.....	127.5	127.5	124.2	0	+2.7
Sundries.....	111.2	111.1	103.7	+0.1	+7.2	Sundries.....	104.3	104.1	102.2	+0.2	+2.1
Weighted Total.....	122.3	121.7	113.9	+0.5	+7.4	Weighted Total.....	116.9	115.4	110.9	+1.3	+5.4
Buffalo						Denver					
Food.....	141.1	139.8	123.0	+0.9	+14.7	Food.....	134.9	133.8	121.4	+0.8	+11.1
Housing.....	114.7	114.7	111.7	0	+2.7	Housing.....	105.6	105.6	104.4	0	+1.1
Clothing.....	118.0	118.0	111.1	0	+6.2	Clothing.....	121.6	121.6	113.1	0	+7.5
Fuel and light.....	106.1	103.0	103.1	+3.0	+2.9	Fuel and light.....	105.6	105.1	102.9	+0.5	+2.6
Housefurnishings.....	126.1	126.1	121.1	0	+4.1	Housefurnishings.....	122.4	122.4	113.3	0	+8.0
Sundries.....	109.1	108.9	103.2	+0.2	+5.7	Sundries.....	101.1	100.9	102.0	+0.2	-0.9
Weighted Total.....	121.7	121.0	112.7	+0.6	+8.0	Weighted Total.....	115.6	115.1	110.1	+0.4	+5.0

Footnotes given on page 84

COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 62 CITIES DURING DECEMBER, 1942 AND JANUARY, 1943—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943		Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943
Des Moines						Houston					
Food.....	152.9	152.4	138.2	+0.3	+10.6	Food.....	135.5	135.3	125.6	+0.1	+7.9
Housing.....	105.3	105.4 _r	103.5	-0.1	+1.7	Housing.....	105.7	105.7	104.2	0	+1.4
Clothing.....	126.9	126.8	117.5	+0.1	+8.0	Clothing.....	124.2	124.3	115.3	-0.1	+7.7
Fuel and light.....	114.9	114.8	117.6	+0.1	-2.3	Fuel and light.....	92.3	92.3	92.3	0	0
Housefurnishings.....	123.8	123.8	114.5	0	+8.1	Housefurnishings.....	126.1	126.1	119.8	0	+5.3
Sundries.....	104.0	103.7	100.9	+0.3	+3.1	Sundries.....	106.9	106.7	104.1	+0.2	+2.7
Weighted Total.....	123.8	123.5	116.7	+0.2	+6.1	Weighted Total....	117.0	116.9	111.7	+0.1	+4.7
Detroit						Huntington, W. Va.					
Food.....	138.4	138.0	117.1	+0.3	+18.2	Food.....	141.0	139.0	123.3	+1.4	+14.4
Housing.....	107.0	107.0	107.2	0	-0.2	Housing.....	111.7	111.7	109.9	0	+1.6
Clothing.....	117.9	117.9	109.7	0	+7.5	Clothing.....	118.3	118.3	115.0	0	+2.9
Fuel and light.....	110.9	109.8	109.6	+1.0	+1.2	Fuel and light.....	100.0	100.0	100.0	0	0
Housefurnishings.....	133.1	133.1	125.3	0	+6.2	Housefurnishings.....	124.0	124.0	122.0	0	+1.6
Sundries.....	102.9	102.7	100.6	+0.2	+2.3	Sundries.....	112.7	112.5	107.2	+0.2	+5.1
Weighted Total.....	118.0	117.7	109.6	+0.3	+7.7	Weighted Total....	122.0	121.3	113.9	+0.6	+7.1
Duluth						Indianapolis					
Food.....	139.7	139.2	124.4	+0.4	+12.3	Food.....	140.0	137.2	127.1	+2.0	+10.1
Housing.....	100.1	100.1	100.1	0	0	Housing.....	107.9	107.9	108.2	0	-0.3
Clothing.....	124.6	124.6	114.8	0	+8.5	Clothing.....	119.9	119.9	113.2	0	+5.9
Fuel and light.....	100.9	100.9	100.7	0	+0.2	Fuel and light.....	105.3	104.7	104.4	+0.6	+0.9
Housefurnishings.....	129.7	129.7	123.5	0	+5.0	Housefurnishings.....	112.4	112.1	109.8	+0.3	+2.4
Sundries.....	104.9	104.7	102.5	+0.2	+2.3	Sundries.....	107.6	107.3	104.6	+0.3	+2.9
Weighted Total.....	117.6	117.3	110.9	+0.3	+6.0	Weighted Total....	118.4	117.4	112.8	+0.9	+5.0
Erie, Pa.						Kansas City, Mo.					
Food.....	144.3	142.0	120.8	+1.6	+19.5	Food.....	131.5	131.7 _r	119.5 _r	-0.2	+10.0
Housing.....	109.9	109.9	105.5	0	+4.2	Housing.....	105.2	105.2 _r	102.4 _r	0	+2.7
Clothing.....	133.7	133.7	119.5	0	+11.9	Clothing.....	121.7	121.7	114.2	0	+6.6
Fuel and light.....	109.5	107.5	107.0	+1.9	+2.3	Fuel and light.....	108.1	106.6 _r	106.4 _r	+1.4	+1.6
Housefurnishings.....	129.8	129.8	126.2	0	+2.9	Housefurnishings.....	120.9	120.9	116.5	0	+3.8
Sundries.....	110.8	110.6	106.5	+0.2	+4.0	Sundries.....	114.4	113.9 _r	103.2	+0.4	+10.9
Weighted Total.....	126.5	125.5	114.0	+0.8	+11.0	Weighted Total....	118.5	118.3 _r	109.8 _r	+0.2	+7.9
Fall River						Lansing					
Food.....	144.0	143.5	128.4	+0.3	+12.1	Food.....	156.9	157.9	137.8	-0.6	+13.9
Housing.....	104.3	104.3	101.9	0	+2.4	Housing.....	98.0	98.0	98.0	0	0
Clothing.....	118.8	118.8	110.4	0	+7.6	Clothing.....	124.0	124.1	114.5	-0.1	+8.3
Fuel and light.....	105.4	102.9	102.6	+2.4	+2.7	Fuel and light.....	104.5	101.6	101.6	+2.9	+2.9
Housefurnishings.....	114.3	114.3	112.9	0	+1.2	Housefurnishings.....	129.5	129.5	125.6	0	+3.1
Sundries.....	107.0	106.9	104.8	+0.1	+2.1	Sundries.....	106.2	105.9	103.8	+0.3	+2.3
Weighted Total.....	120.9	120.5	113.3	+0.3	+6.7	Weighted Total....	121.8	121.8	114.3	0	+6.6
Front Royal, Va.						Los Angeles					
Food.....	156.2	155.7	137.0	+0.3	+14.0	Food.....	148.0	144.6	126.1	+2.4	+17.4
Housing.....	92.0	92.0	93.7	0	-1.8	Housing.....	104.6	104.6	105.2	0	-0.6
Clothing.....	127.9	127.9	119.8	0	+6.8	Clothing.....	119.0	119.0	109.9	0	+8.3
Fuel and light.....	103.9	103.9	103.5	0	+0.4	Fuel and light.....	96.2	96.2	96.2	0	0
Housefurnishings.....	127.1	127.1	124.4	0	+2.2	Housefurnishings.....	123.8	123.8	121.3	0	+2.1
Sundries.....	106.8	106.8	101.8	0	+4.9	Sundries.....	106.9	106.7	102.7	+0.2	+4.1
Weighted Total.....	119.2	119.1	112.0	+0.1	+6.4	Weighted Total....	120.4	119.3	111.5	+0.9	+8.0
Grand Rapids						Louisville					
Food.....	145.7	143.9	134.2	+1.3	+8.6	Food.....	130.7	128.8	118.2	+1.5	+10.6
Housing.....	106.6	106.6	106.6	0	0	Housing.....	104.5	104.5	104.9	0	-0.4
Clothing.....	121.9	121.9	111.5	0	+9.3	Clothing.....	120.1	120.1	115.9	0	+3.6
Fuel and light.....	110.2	108.1	108.0	+1.9	+2.0	Fuel and light.....	115.5	115.5	115.4	0	+0.1
Housefurnishings.....	132.7	132.7	127.6	0	+4.0	Housefurnishings.....	127.7	127.7	122.8	0	+4.0
Sundries.....	107.5	105.9	103.5	+1.5	+3.9	Sundries.....	103.5	103.4	100.9	+0.1	+2.6
Weighted Total.....	121.6	120.5	115.5	+0.9	+5.3	Weighted Total....	116.7	116.0	111.2	+0.6	+4.9

Footnotes given on page 84

COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 62 CITIES DURING DECEMBER, 1942 AND JANUARY, 1943—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943		Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943
Lynn						Muskegon					
Food.....	144.5	143.1	127.9	+1.0	+13.0	Food.....	148.9	145.8	130.8	+2.1	+13.8
Housing.....	104.5	104.5	103.0	0	+1.5	Housing.....	115.2	115.2	115.4	0	-0.2
Clothing.....	123.9	123.6	115.7	+0.2	+7.1	Clothing.....	122.7	122.7	111.1	0	+10.4
Fuel and light.....	113.2	111.1	110.8	+1.9	+2.2	Fuel and light.....	106.2	106.2	106.2	0	0
Housefurnishings.....	125.6	125.6	122.4	0	+2.6	Housefurnishings.....	118.8	118.8	115.0	0	+3.3
Sundries.....	107.0	106.9	104.5	+0.1	+2.4	Sundries.....	107.6	107.4	105.0	+0.2	+2.5
Weighted Total....	123.6	122.9	115.5	+0.6	+7.0	Weighted Total....	123.2	122.3	115.6	+0.7	+6.6
Macon						Newark					
Food.....	145.7	145.5	129.0	+0.1	+12.9	Food.....	131.8	131.3	114.5	+0.4	+15.1
Housing.....	115.9	115.9	121.7	0	-4.8	Housing.....	101.4	101.4	101.4	0	0
Clothing.....	116.8	116.7	109.1	+0.1	+7.1	Clothing.....	120.3	120.8	112.5	-0.4	+6.9
Fuel and light.....	106.4	106.4	107.8	0	-1.3	Fuel and light.....	103.6	101.3	102.2	+2.3	+1.4
Housefurnishings.....	129.3	129.3	127.2	0	+1.7	Housefurnishings.....	129.3	129.3	122.9	0	+5.2
Sundries.....	108.2	108.1	101.0	+0.1	+7.1	Sundries.....	104.8	105.1	102.6	-0.3	+2.1
Weighted Total....	122.6	122.5	114.9	+0.1	+6.7	Weighted Total....	115.8	115.6	108.1	+0.2	+7.1
Manchester, N. H.						New Haven					
Food.....	139.1	136.5	121.6	+1.9	+14.4	Food.....	140.8	140.3	125.8	+0.4	+11.9
Housing.....	102.9	102.9	102.8	0	+0.1	Housing.....	105.3	105.3	105.6	0	-0.3
Clothing.....	119.3	119.3	110.7	0	+7.8	Clothing.....	120.1	120.1	113.9	0	+5.4
Fuel and light.....	108.4	105.5	105.5	+2.7	+2.7	Fuel and light.....	108.9	106.0	105.9	+2.7	+2.8
Housefurnishings.....	123.8	123.8	120.5	0	+2.7	Housefurnishings.....	124.4	124.4	118.6	0	+4.9
Sundries.....	105.6	105.5	103.3	+0.1	+2.2	Sundries.....	104.3	104.2	102.4	+0.1	+1.9
Weighted Total....	120.1	118.9	111.8	+1.0	+7.4	Weighted Total....	120.0	119.6	113.2	+0.2	+6.0
Meadville, Pa.						New Orleans					
Food.....	143.7	143.5	128.0	+0.1	+12.3	Food.....	141.4	141.4	127.9	0	+10.6
Housing.....	110.8	110.8	104.6	0	+5.9	Housing.....	110.6	110.6	108.1	0	+2.3
Clothing.....	117.1	117.4	113.5	-0.3	+3.2	Clothing.....	119.2	119.2	113.1	0	+5.4
Fuel and light.....	106.7	106.7	105.4	0	+1.2	Fuel and light.....	103.2	103.2	103.2	0	0
Housefurnishings.....	128.7	127.9	118.1	+0.6	+9.0	Housefurnishings.....	128.3	128.3	125.8	0	+2.0
Sundries.....	108.5	108.4	102.2	+0.1	+6.2	Sundries.....	103.7	103.4	102.5	+0.3	+1.2
Weighted Total....	121.1	121.0	112.6	+0.1	+7.5	Weighted Total....	121.6	121.5	115.0	+0.1	+5.7
Memphis						New York					
Food.....	145.7	145.2	126.8	+0.3	+14.9	Food.....	143.3	142.0	123.2	+0.9	+16.3
Housing.....	109.4	109.4	107.4	0	+1.9	Housing.....	100.8	100.8	101.0	0	-0.2
Clothing.....	121.0	121.0	113.7	0	+6.4	Clothing.....	113.9	113.9	106.5	0	+6.9
Fuel and light.....	102.8	102.8	103.1	0	-0.3	Fuel and light.....	110.9	106.7	107.0	+3.9	+3.6
Housefurnishings.....	127.5	127.5	126.3	0	+1.0	Housefurnishings.....	127.7	127.7	121.6	0	+5.0
Sundries.....	107.4	107.3	103.0	+0.1	+4.3	Sundries.....	106.6	106.6	103.7	0	+2.8
Weighted Total....	121.0	120.8	113.1	+0.2	+7.0	Weighted Total....	120.2	119.5	111.1	+0.6	+8.2
Milwaukee						Oakland					
Food.....	134.4	134.3	121.7	+0.1	+10.4	Food.....	149.0	147.7	126.6	+0.9	+17.7
Housing.....	103.3	103.3	102.3	0	+1.0	Housing.....	131.5	131.5	122.3	0	+7.5
Clothing.....	128.0	128.0	113.2	0	+13.1	Clothing.....	123.5	123.5	114.2	0	+8.1
Fuel and light.....	104.0	104.0	103.9	0	+0.1	Fuel and light.....	84.9	84.9	84.9	0	0
Housefurnishings.....	125.1	125.1	118.7	0	+5.4	Housefurnishings.....	119.3	119.3	113.3	0	+5.3
Sundries.....	114.4	114.0	108.4	+0.4	+5.5	Sundries.....	103.7	103.5	99.9	+0.2	+3.8
Weighted Total....	119.3	119.2	111.8	+0.1	+6.7	Weighted Total....	125.0	124.6	113.8	+0.3	+9.8
Minneapolis						Omaha					
Food.....	140.2	140.0	125.2	+0.1	+12.0	Food.....	148.2	147.7	129.8	+0.3	+14.2
Housing.....	103.7	103.7	103.2	0	+0.5	Housing.....	100.6	100.6	100.0	0	+0.6
Clothing.....	124.9	124.9	117.0	0	+6.8	Clothing.....	120.8	120.8	111.9	0	+8.0
Fuel and light.....	100.0	100.0	99.9	0	+0.1	Fuel and light.....	105.2	103.8	103.6	+1.3	+1.5
Housefurnishings.....	122.2	122.2	117.8	0	+3.7	Housefurnishings.....	130.7	130.7	128.2	0	+2.0
Sundries.....	114.8	114.6	109.5	+0.2	+4.8	Sundries.....	106.1	105.9	103.3	+0.2	+2.7
Weighted Total....	120.5	120.4	113.4	+0.1	+6.3	Weighted Total....	120.7	120.4	112.8	+0.2	+7.0

Footnotes given on page 84

COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 62 CITIES DURING DECEMBER, 1942 AND JANUARY, 1943—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943		Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943
Parkersburg, W. Va.						Rochester					
Food.....	142.2	141.1 _r	128.5	+0.8	+10.7	Food.....	143.9	141.1	124.3	+2.0	+15.8
Housing.....	104.2	104.2	103.5	0	+0.7	Housing.....	103.9	103.9	103.8	0	+0.1
Clothing.....	123.9	123.9	115.8	0	+7.0	Clothing.....	127.8	128.1	116.3	-0.2	+9.9
Fuel and light.....	94.6	94.6 _r	94.6 _r	0	0	Fuel and light.....	111.7	108.5	108.8	+2.9	+2.7
Housefurnishings.....	124.6	124.6	122.7	0	+1.5	Housefurnishings.....	136.1	136.1	131.7	0	+3.3
Sundries.....	111.0	110.9 _r	105.8 _r	+0.1	+4.9	Sundries.....	115.4	115.2	107.4	+0.2	+7.4
Weighted Total.....	122.4	121.9 _r	114.9 _r	+0.4	+6.5	Weighted Total.....	123.1	122.0	113.6	+0.9	+8.4
Philadelphia						Rockford, Ill.					
Food.....	142.0	143.7	128.8	-1.2	+10.2	Food.....	142.4	142.4	121.0	0	+17.7
Housing.....	102.9	102.9	102.5	0	+0.4	Housing.....	138.0	138.0	134.8	0	+2.4
Clothing.....	122.4	122.6	115.3	-0.2	+6.2	Clothing.....	120.7	120.5	115.7	+0.2	+4.3
Fuel and light.....	106.8	104.2	103.0	+2.5	+3.7	Fuel and light.....	111.4	110.1	110.0	+1.2	+1.3
Housefurnishings.....	121.0	121.0	115.5	0	+4.8	Housefurnishings.....	131.3	131.3	124.0	0	+5.9
Sundries.....	111.9	111.7	106.9	+0.2	+4.7	Sundries.....	114.6	114.2	108.3	+0.4	+5.8
Weighted Total.....	122.4	122.8	115.0	-0.3	+6.4	Weighted Total.....	128.6	128.4	118.8	+0.2	+8.2
Pittsburgh						Sacramento					
Food.....	140.5	139.9	126.0	+0.4	+11.5	Food.....	152.8	149.6	127.2	+2.1	+20.1
Housing.....	105.7	105.7	103.4	0	+2.2	Housing.....	104.1	104.1	106.2	0	-2.0
Clothing.....	124.4	124.4	115.2	0	+8.0	Clothing.....	122.4	122.5	113.3	-0.1	+8.0
Fuel and light.....	109.8	109.8	108.8	0	+0.9	Fuel and light.....	83.9	83.9	83.9	0	0
Housefurnishings.....	117.2	117.2	114.6	0	+2.3	Housefurnishings.....	131.9	131.7	121.4	+0.2	+8.6
Sundries.....	112.7	112.6	107.8	+0.1	+4.5	Sundries.....	105.8	105.7	103.2	+0.1	+2.5
Weighted Total.....	121.7	121.5	114.1	+0.2	+6.7	Weighted Total.....	121.5	120.5	111.9	+0.8	+8.6
Portland, Ore.						St. Louis					
Food.....	138.9	139.6	124.6	-0.5	+11.5	Food.....	142.0	140.7	123.8	+0.9	+14.7
Housing.....	110.0	110.0	105.7	0	+4.1	Housing.....	106.0	106.0	103.9	0	+2.0
Clothing.....	127.4	127.0	117.8	+0.3	+8.1	Clothing.....	122.9	123.0	114.3	-0.1	+7.5
Fuel and light.....	100.7	100.0	98.8	+0.7	+1.9	Fuel and light.....	108.6	108.6	108.3	0	+0.3
Housefurnishings.....	119.0	119.0	108.0	0	+10.2	Housefurnishings.....	118.0	118.0	116.6	0	+1.2
Sundries.....	108.1	108.0	103.9	+0.1	+4.0	Sundries.....	109.2	108.9	103.3	+0.3	+5.7
Weighted Total.....	120.3	120.4	112.1	-0.1	+7.3	Weighted Total.....	121.2	120.7	112.2	+0.4	+8.0
Providence						St. Paul					
Food.....	147.9	145.9	130.4	+1.4	+13.4	Food.....	137.9	135.2	122.5	+2.0	+12.6
Housing.....	103.3	103.3	102.6	0	+0.7	Housing.....	100.9	100.9	100.7	0	+0.2
Clothing.....	117.7	117.7	109.3	0	+7.7	Clothing.....	120.0	120.0	113.3	0	+5.9
Fuel and light.....	102.5	99.7	100.7	+2.8	+1.8	Fuel and light.....	101.2	101.2	100.5	0	+0.7
Housefurnishings.....	125.3	125.3	122.4	0	+2.4	Housefurnishings.....	125.6	125.6	119.1	0	+5.5
Sundries.....	104.7	104.6	100.8	+0.1	+3.9	Sundries.....	114.2	113.9	108.8	+0.3	+5.0
Weighted Total.....	119.4	118.5	111.8	+0.8	+6.8	Weighted Total.....	118.9	118.1	111.7	+0.7	+6.4
Richmond						San Francisco					
Food.....	142.7	142.3	126.5	+0.3	+12.8	Food.....	161.6	161.9	132.2	-0.2	+22.2
Housing.....	102.7	102.7	102.2	0	+0.5	Housing.....	98.3	98.3	97.8	0	+0.5
Clothing.....	118.6	118.6	110.6	0	+7.2	Clothing.....	120.7	120.7	111.6	0	+8.2
Fuel and light.....	103.9	103.9	103.9	0	0	Fuel and light.....	84.9	84.9	84.9	0	0
Housefurnishings.....	120.5	120.5	117.3	0	+2.7	Housefurnishings.....	119.4	119.4	115.9	0	+3.0
Sundries.....	104.1	103.9	102.2	+0.2	+1.9	Sundries.....	104.6	104.4	100.6	+0.2	+4.0
Weighted Total.....	117.4	117.3	111.0	+0.1	+5.8	Weighted Total.....	123.4	123.5	111.5	-0.1	+10.7
Roanoke, Va.						Seattle					
Food.....	146.6	145.2	129.4	+1.0	+13.3	Food.....	151.5	150.7	132.8	+0.5	+14.1
Housing.....	119.2	119.2	122.7	0	-2.9	Housing.....	114.3	114.3	111.3	0	+2.7
Clothing.....	113.9	113.9	109.3	0	+4.2	Clothing.....	118.7	118.7	110.2	0	+7.7
Fuel and light.....	102.2	99.7	98.9	+2.5	+3.3	Fuel and light.....	110.1	110.1	108.6	0	+1.4
Housefurnishings.....	121.9	121.9	121.6	0	+0.2	Housefurnishings.....	119.8	119.8	113.4	0	+5.6
Sundries.....	110.9	110.7	104.1	+0.2	+6.5	Sundries.....	108.6	108.4	105.5	+0.2	+2.9
Weighted Total.....	123.1	122.4	115.7	+0.6	+6.4	Weighted Total.....	124.7	124.4	116.0	+0.2	+7.5

COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 62 CITIES DURING DECEMBER, 1942 AND JANUARY, 1943—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943		Jan. 1943	Dec. 1942	Jan. 1942	Dec. 1942 to Jan. 1943	Jan. 1942 to Jan. 1943
Spokane						Wausau, Wis.					
Food.....	136.8	135.9	118.5	+0.7	+15.4	Food.....	144.1	143.4	126.3	+0.5	+14.1
Housing.....	102.0	102.0	99.9	0	+2.1	Housing.....	102.7	102.7	102.7	0	0
Clothing.....	121.6	121.6	114.1	0	+6.6	Clothing.....	125.0	125.0	113.2	0	+10.4
Fuel and light.....	100.5	99.2	98.9	+1.3	+1.6	Fuel and light.....	101.4	101.4	102.7	0	-1.3
Housefurnishings.....	132.3	132.3	125.0	0	+5.8	Housefurnishings.....	123.6	123.6	123.4	0	+0.2
Sundries.....	109.6	109.5	106.2	+0.1	+3.2	Sundries.....	103.9	103.7	103.6	+0.2	+0.3
Weighted Total....	118.2	117.8	110.1	+0.3	+7.4	Weighted Total....	120.6	120.4	113.3	+0.2	+6.4
Syracuse						Wilmington, Del.					
Food.....	151.9	151.6	136.3	+0.2	+11.4	Food.....	145.9	147.5	130.3	-1.1	+12.0
Housing.....	116.2	116.2	109.1	0	+6.5	Housing.....	104.0	104.0	103.9	0	+0.1
Clothing.....	126.3	126.3	118.3	0	+6.8	Clothing.....	124.9	125.0	113.2	-0.1	+5.7
Fuel and light.....	111.4	107.9	103.7	+3.2	+7.4	Fuel and light.....	105.8	102.5	103.1	+3.2	+2.6
Housefurnishings.....	146.6	146.6	139.3	0	+5.2	Housefurnishings.....	115.4	115.4	114.0	0	+1.2
Sundries.....	112.1	111.8	105.9	+0.3	+5.9	Sundries.....	101.4	101.3	99.5	+0.1	+1.9
Weighted Total....	127.7	127.3	118.2	+0.3	+8.0	Weighted Total....	120.0	120.3	113.5	-0.2	+5.7
Toledo						Youngstown					
Food.....	145.4	148.0	122.6	-1.8	+18.6	Food.....	145.9	142.5	125.8	+2.4	+16.0
Housing.....	109.1	109.0	103.2	+0.1	+5.7	Housing.....	105.4	105.4	108.6	0	-2.9
Clothing.....	122.8	122.8	112.2	0	+9.4	Clothing.....	125.6	125.6	117.3	0	+7.1
Fuel and light.....	109.2	108.3	107.8	+0.8	+1.3	Fuel and light.....	111.0	109.9	109.5	+1.0	+1.4
Housefurnishings.....	121.9	122.0	114.5	-0.1	+6.5	Housefurnishings.....	131.8	131.8	119.4	0	+10.4
Sundries.....	105.2	105.0	102.7	+0.2	+2.4	Sundries.....	107.3	107.2	105.3	+0.1	+1.9
Weighted Total....	120.7	121.3	110.5	-0.5	+9.2	Weighted Total....	124.4	123.0	115.7	+1.1	+7.5

rRevised

n.a. Not available

pPreliminary

COST OF LIVING IN 8 CITIES, DECEMBER, 1942 AND JANUARY, 1943

CITY	Dec. 1942 to Jan. 1943		CITY	Dec. 1942 to Jan. 1943		CITY	Dec. 1942 to Jan. 1943	
	Percentage Changes			Percentage Changes			Percentage Changes	
Anderson, Ind.			Green Bay, Wis.			Lewistown, Pa.		
Food.....	+1.5	+15.4	Food.....	-2.1	+9.4	Food.....	+0.9	+13.8
Housing.....	0	-0.2	Housing.....	0	-0.1	Housing.....	0	+3.7
Clothing.....	0	+10.0	Clothing.....	-0.2	+8.1	Clothing.....	0	+7.3
Fuel and light.....	+1.0	+1.0	Fuel and light.....	+0.2	+0.5	Fuel and light.....	+2.6	+3.2
Housefurnishings.....	0	+7.9	Housefurnishings.....	0	+2.7	Housefurnishings.....	0	+6.0
Sundries.....	+0.2	+2.9	Sundries.....	+0.2	+4.7	Sundries.....	0	+5.0
Weighted Total....	+0.7	+7.4	Weighted Total....	-0.6	+5.4	Weighted Total....	+0.6	+8.3
Evansville, Ind.			Joliet, Ill.¹			Saginaw, Mich.		
Food.....	+1.4	+15.8	Food.....	+1.1	+14.1	Food.....	-1.7	+12.2
Housing.....	0	+0.7	Housing.....	0	+0.4	Housing.....	0	-0.9
Clothing.....	-0.1	+8.2	Clothing.....	+0.1	+6.7	Clothing.....	0	+7.7
Fuel and light.....	+1.1	+3.0	Fuel and light.....	+0.7	+1.1	Fuel and light.....	+1.0	+1.0
Housefurnishings.....	0	+8.2	Housefurnishings.....	-0.1	+5.8	Housefurnishings.....	+0.1	+1.1
Sundries.....	+0.2	+4.1	Sundries.....	+0.6	+5.8	Sundries.....	+0.1	+2.3
Weighted Total....	+0.5	+7.2	Weighted Total....	+0.6	+7.6	Weighted Total....	-0.5	+5.3
Flint, Mich.			¹ Includes Lockport and Rockdale			Trenton, N. J.		
Food.....	+1.2	+17.6				Food.....	+0.4	+13.8
Housing.....	0	+0.1				Housing.....	0	+1.0
Clothing.....	0	+8.9				Clothing.....	0	+18.1
Fuel and light.....	+3.6	+3.0				Fuel and light.....	+3.5	+3.7
Housefurnishings.....	+0.1	+4.6				Housefurnishings.....	0	+6.2
Sundries.....	+0.2	+4.1				Sundries.....	+0.1	+4.0
Weighted Total....	+0.8	+8.4				Weighted Total....	+0.3	+8.7

Revised Indexes of the Cost of Living—Six Cities

THE FOLLOWING tables are the second in the series of revised Conference Board indexes of living costs in 70 cities and in the United States.

The first tables in this series appeared in the January issue of this publication and were accompanied by descriptive material outlining the principal purposes of the revision and the general composition of the indexes.

Each month some particular phase of the general revision of the indexes of living costs will be discussed. The discussions will be limited to material generally applicable to all the indexes. Specific details applicable to particular indexes, including the weighting methods used, will appear in the final report, which will follow the completion of the revision.

FOOD

Although THE CONFERENCE BOARD's indexes of living costs for individual cities show monthly changes since January, 1939, in most instances, it was not until March, 1940, that the Board began to collect data on monthly changes in food costs. In its preliminary indexes, THE CONFERENCE BOARD used United States Bureau of Labor Statistics indexes of changes in food costs by cities for the period January, 1939, to March, 1940. In some cities collection of food data was not begun until some time after March, 1940; in those instances, the BLS indexes were used up to the date when the Board first collected its own data. The United States Bureau of Labor Statistics did not then, and does not now, publish indexes of changes in food costs for all cities studied by THE CONFERENCE BOARD. It was necessary, therefore, in those cases where the BLS did not compute indexes for a city to assume that the changes shown in the food index for some adjacent city of similar characteristics were representative of changes in the city in question.

Changes in Methods

One of the most important steps taken by the Board in revising its indexes of changes in food costs was the recalculation of the changes shown between January, 1939, and the date upon which the Board first collected monthly data on food costs in such cities. For some months prior to March, 1940 (but not beyond March, 1939), the Board collected data on food costs in many cities at periodic intervals. These data, therefore, were available and were used in computing the changes in food costs between January, 1939, and the date on which monthly collection of food data within a city began. Monthly changes between these two dates were interpolated on the basis of all available information. This procedure has several advantages over the one

previously used, the most important of which is the fact that the long-term changes shown in food costs in a city are based entirely upon data relating to that city. Other information on food prices not specifically applicable to the city is used only for the purpose of interpolating changes during periods when data were not obtainable for the city in question.

In addition to the particular improvements outlined above, general steps applicable to all the indexes were taken in the revision. Data which were originally received too late for inclusion in the regular monthly figures have been incorporated in the indexes. Reconciliation has been made of any misinterpretations of data which had been included in the reports but which did not become apparent until after the data had been used and which did not lend themselves to solution except when studied in retrospect.

Furthermore, new data became available on family consumption of food and pointed the way to revisions in the weights used in combining the retail prices of food items into indexes of changes in the cost of food. These changes in weights, however, have not had too marked an effect on the changes shown by the indexes.

Items Priced

At the present time THE CONFERENCE BOARD collects data on the following 44 items of food:

Article	Unit
<i>Meat and fish (best cuts)</i>	
Round steak—U. S. No. 2 grade (good).....	1 lb.
Rib roast, beef—U. S. No. 2 grade (good)...	1 lb.
Chuck roast, beef—U. S. No. 2 grade (good)...	1 lb.
Pork chops (rib or loin, center cut)—U. S. No. 1 grade.....	1 lb.*
Whole ham, smoked—U. S. No. 1 grade....	1 lb.
Salt pork—U. S. No. 1 grade.....	1 lb.
Bacon, sliced—U. S. No. 1 grade.....	1 lb.
Lamb, leg.....	1 lb.
Veal cutlet—U. S. No. 2 grade (good).....	1 lb.
Chicken, roasting (up to 6 lbs.).....	1 lb.
Salmon, pink.....	1 lb. can
<i>Cereals</i>	
Bread, white (Give weight oz.).....	large loaf
Bread, rye (Give weight oz.).....	large loaf
Flour, Gold Medal.....	lbs.
Cornmeal, yellow.....	1 lb.
Cornflakes, Kellogg.....	6 oz. pkg.
Macaroni, package.....	1 lb.
<i>Dairy Products</i>	
Fresh milk, bottled (specify grade).....	1 qt.
Evaporated milk.....	14½ oz. can
Butter, tub or roll.....	1 lb.

(Continued on Page 89)

**COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS
IN SELECTED CITIES, 1939-1942**

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939 = 100

Akron, O.								Baltimore, Md.							
Date	Weighted Total, All Items	Food	Housing	Clothing	Fuel and Light	House- furnish- ings	Sundries	Weighted Total, All Items	Food	Housing	Clothing	Fuel and Light	House- furnish- ings	Sundries	
<i>Budgetary Weights</i>	<i>100.0</i>	<i>29.1</i>	<i>15.6</i>	<i>11.2</i>	<i>7.8</i>	<i>5.7</i>	<i>30.6</i>	<i>100.0</i>	<i>34.3</i>	<i>17.5</i>	<i>10.6</i>	<i>7.2</i>	<i>5.0</i>	<i>25.4</i>	
1939 January	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
February	99.1	99.4	99.6	100.0	99.4	100.0	98.1	99.8	99.6	100.0	99.9	100.0	100.1	100.0	
March	98.9	99.5	99.7	100.0	96.0	100.0	98.1	99.8	99.5	100.0	99.6	100.0	100.8	100.0	
April	98.9	98.8	100.4	98.8	98.2	100.0	98.1	100.3	101.1	100.0	99.8	95.3	100.8	100.9	
May	99.1	98.8	101.1	98.8	100.2	100.0	98.1	99.7	99.6	100.0	99.7	94.3	100.8	100.9	
June	99.5	99.6	101.9	98.8	98.3	100.0	98.6	99.6	99.1	100.0	99.7	94.3	100.6	101.2	
July	99.6	99.7	102.7	98.8	98.3	99.7	98.6	99.9	100.1	100.0	99.7	93.9	100.5	101.1	
August	99.1	97.3	103.3	98.8	99.7	99.7	98.6	99.0	97.6	99.5	99.6	95.0	100.5	101.1	
September	101.0	103.0	104.0	98.8	100.9	99.7	98.7	100.7	102.5	99.6	99.6	95.0	100.6	101.1	
October	101.3	102.2	105.9	98.8	102.4	99.7	99.1	100.7	101.0	99.6	99.5	95.0	101.8	102.7	
November	101.2	101.1	106.4	98.8	103.1	99.7	99.5	99.6	98.8	99.6	99.4	93.8	101.3	102.3	
December	101.1	100.2	106.5	98.8	103.1	99.7	99.9	99.4	97.5	99.6	99.4	95.2	103.5	102.3	
<i>Annual Average</i>	<i>99.9</i>	<i>100.0</i>	<i>102.6</i>	<i>99.1</i>	<i>100.0</i>	<i>99.8</i>	<i>91.3</i>	<i>99.9</i>	<i>99.7</i>	<i>99.8</i>	<i>99.7</i>	<i>96.0</i>	<i>100.9</i>	<i>101.1</i>	
1940 January	101.0	100.5	106.0	98.7	103.1	99.7	99.5	99.4	97.0	99.6	99.5	95.8	103.5	102.7	
February	101.2	102.0	106.0	98.5	103.1	99.5	99.0	100.5	100.0	99.6	99.8	95.8	103.9	102.7	
March	101.2	101.4	106.9	98.5	103.1	99.5	99.0	100.3	99.6	99.6	99.8	95.8	103.9	102.7	
April	102.1	104.2	107.6	98.5	103.1	99.5	99.0	100.6	100.7	99.6	98.6	95.8	103.8	102.7	
May	102.0	103.1	108.9	98.5	103.1	99.4	99.0	101.0	102.2	99.6	98.4	94.9	103.6	102.7	
June	101.9	102.3	109.8	98.5	102.1	99.4	99.0	100.9	101.8	99.6	98.4	94.9	103.7	102.7	
July	102.4	102.5	111.5	98.5	101.0	99.4	99.8	101.0	100.8	99.6	98.3	96.7	103.8	104.1	
August	102.6	102.6	112.2	98.5	102.1	99.1	99.9	100.0	97.5	99.6	99.2	96.7	103.5	104.1	
September	103.0	102.9	113.7	98.5	103.9	98.6	100.0	100.7	99.4	99.6	99.2	97.7	103.5	104.1	
October	103.3	102.0	114.7	98.6	105.9	98.5	100.7	100.7	98.4	100.7	99.3	98.9	103.4	104.3	
November	103.5	102.6	114.7	98.6	106.3	98.6	100.7	100.7	98.2	100.7	99.4	98.9	104.0	104.3	
December	103.9	104.0	114.7	98.6	106.3	98.6	100.7	101.2	99.8	101.4	99.4	98.9	104.0	103.9	
<i>Annual Average</i>	<i>102.3</i>	<i>102.5</i>	<i>110.6</i>	<i>98.5</i>	<i>103.6</i>	<i>99.1</i>	<i>99.7</i>	<i>100.6</i>	<i>99.6</i>	<i>99.9</i>	<i>99.1</i>	<i>96.7</i>	<i>103.7</i>	<i>103.4</i>	
1941 January	103.9	104.1	114.7	98.6	106.3	98.6	100.7	101.6	100.9	101.4	99.4	98.9	104.1	104.0	
February	104.2	104.7	114.7	98.8	106.3	99.5	100.7	101.8	101.3	101.7	99.4	98.9	103.9	104.0	
March	104.5	105.0	115.9	98.8	106.3	100.3	100.7	102.2	102.2	101.7	99.5	98.9	105.4	103.9	
April	105.9	109.8	116.6	99.0	106.3	100.4	100.3	103.0	104.4	103.2	99.6	98.9	105.5	103.3	
May	107.0	113.1	116.8	98.6	106.3	100.6	100.7	104.5	107.7	103.9	99.8	98.9	106.1	103.6	
June	109.3	119.6	116.8	98.6	106.7	100.9	101.9	106.6	113.5	104.5	99.9	98.5	106.6	103.8	
July	109.5	119.5	116.9	98.9	108.0	101.1	102.0	106.2	111.1	105.6	100.0	100.8	106.6	104.2	
August	110.1	120.9	117.5	99.9	108.6	101.1	102.0	107.3	112.4	107.6	101.3	102.0	107.8	104.2	
September	111.6	122.4	118.2	102.6	109.6	105.9	102.7	109.3	115.8	107.6	104.9	102.5	114.0	104.6	
October	113.6	124.9	118.7	103.7	110.1	108.4	105.8	110.8	115.9	110.1	106.2	102.5	119.4	107.1	
November	114.9	127.4	118.9	107.6	110.1	108.9	106.0	111.8	117.6	110.1	107.6	102.5	124.0	107.3	
December	116.2	127.4	120.7	114.7	110.1	113.8	105.9	112.3	118.1	111.9	106.5	102.5	126.2	107.3	
<i>Annual Average</i>	<i>109.2</i>	<i>116.6</i>	<i>117.2</i>	<i>101.6</i>	<i>107.9</i>	<i>103.3</i>	<i>102.4</i>	<i>106.5</i>	<i>110.1</i>	<i>105.8</i>	<i>102.0</i>	<i>100.5</i>	<i>110.8</i>	<i>104.8</i>	
1942 January	118.0	131.0	121.1	116.3	111.0	115.5	106.8	114.9	123.5	111.9	110.8	102.5	127.0	108.1	
February	118.8	132.4	121.1	117.4	111.0	115.5	107.8	115.8	124.8	111.9	112.9	102.5	127.0	109.0	
March	120.4	135.6	122.7	118.4	110.6	117.6	108.4	116.8	126.3	113.3	114.4	102.5	128.5	109.1	
April	121.1	137.3	123.0	120.8	108.7	118.2	108.6	118.4	129.0	113.3	120.3	100.8	129.9	109.6	
May	121.1	136.6	123.0	121.1	109.1	118.2	109.0	118.9	129.7	113.3	120.2	102.7	129.3	110.1	
June	121.1	140.3	116.2	120.8	109.3	118.4	108.9	119.3	130.8	113.3	120.0	102.7	129.0	110.2	
July	120.7	139.2	114.1	121.0	109.8	118.4	109.4	118.1	131.0	104.2	119.3	102.7	129.3	112.1	
August	120.7	139.3	114.1	121.1	109.9	118.4	109.5	118.7	132.3	104.2	119.6	102.7	130.8	112.2	
September	120.9	140.0	113.7	121.1	109.9	118.4	109.7	118.9	133.8	104.2	120.3	102.7	130.6	110.8	
October	122.6	144.5	113.7	121.2	109.9	118.4	110.7	119.7	136.3	103.2	120.3	102.7	130.6	111.1	
November	123.4	146.3	113.7	121.3	109.9	118.4	111.7	121.9	141.9	103.2	120.5	102.7	130.6	112.0	
December	123.7	147.2	113.7	121.3	109.9	118.4	111.8	122.7	144.2	103.2	120.5	102.7	130.6	112.2	
<i>Annual Average</i>	<i>121.0</i>	<i>139.1</i>	<i>117.5</i>	<i>120.1</i>	<i>109.9</i>	<i>117.8</i>	<i>109.4</i>	<i>118.7</i>	<i>132.0</i>	<i>108.3</i>	<i>118.3</i>	<i>102.5</i>	<i>129.4</i>	<i>110.5</i>	

**COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS
IN SELECTED CITIES, 1939-1942—Continued**

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939 = 100

Boston, Mass.								Kansas City, Mo.						
Date	Weighted Total, All Items	Food	Housing	Clothing	Fuel and Light	House- furnish- ings	Sundries	Weighted Total, All Items	Food	Housing	Clothing	Fuel and Light	House- furnish- ings	Sundries
<i>Budgetary Weights.....</i>	<i>100.0</i>	<i>35.8</i>	<i>20.0</i>	<i>10.0</i>	<i>9.1</i>	<i>2.9</i>	<i>22.2</i>	<i>100.0</i>	<i>28.4</i>	<i>15.8</i>	<i>10.6</i>	<i>6.9</i>	<i>5.5</i>	<i>32.8</i>
1939 January.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
February.....	99.5	98.5	100.0	100.0	100.0	100.6	100.0	99.7	99.9	100.0	99.8	100.0	100.2	99.1
March.....	99.3	98.3	100.0	100.1	100.0	100.1	99.4	99.6	99.9	100.4	99.6	100.0	98.9	99.1
April.....	99.7	98.9	101.1	100.0	100.1	100.0	99.4	101.1	101.2	100.6	99.5	100.0	98.7	99.3
May.....	98.8	97.2	101.6	99.7	96.2	98.3	99.6	99.6	99.6	100.6	99.7	100.0	98.4	99.3
June.....	98.9	97.4	101.8	99.5	96.2	99.1	99.5	99.2	98.6	100.6	98.4	99.2	98.3	99.3
July.....	99.7	99.1	102.1	99.5	96.8	99.1	99.8	99.3	98.2	100.6	98.0	99.2	98.4	100.2
August.....	98.8	96.5	101.9	99.6	97.1	99.1	100.1	99.1	97.2	100.6	98.3	100.4	98.7	100.2
September.....	100.8	101.2	102.4	99.7	97.5	99.1	100.9	100.9	103.7	100.6	98.6	100.5	99.3	99.8
October.....	100.2	98.5	102.3	99.7	101.5	102.5	100.7	101.2	103.2	100.8	99.1	100.9	100.5	100.4
November.....	100.5	98.8	102.5	100.0	101.2	102.8	101.0	100.4	101.5	100.4	99.2	101.1	100.5	99.7
December.....	99.4	95.8	102.3	100.1	101.2	102.7	101.0	99.8	99.3	100.4	99.2	101.1	100.5	99.7
<i>Annual Average.....</i>	<i>99.6</i>	<i>98.4</i>	<i>101.5</i>	<i>99.8</i>	<i>99.0</i>	<i>100.3</i>	<i>100.1</i>	<i>99.9</i>	<i>100.2</i>	<i>100.5</i>	<i>99.1</i>	<i>100.2</i>	<i>99.4</i>	<i>99.7</i>
1940 January.....	99.7	96.8	102.3	100.0	101.2	102.9	100.8	100.0	99.9	100.4	99.4	101.1	100.6	99.6
February.....	100.9	100.0	102.2	99.7	102.4	103.0	100.8	99.9	99.8	100.4	99.2	101.1	100.8	99.6
March.....	100.4	99.0	101.8	99.3	102.4	103.0	100.8	99.1	96.9	100.4	99.2	101.1	100.9	99.6
April.....	101.1	100.9	101.9	99.2	102.4	103.0	100.6	99.2	97.3	100.4	99.1	101.1	101.0	99.6
May.....	100.4	100.0	102.1	99.0	99.4	103.0	100.2	99.3	98.1	100.4	98.8	101.1	101.4	99.1
June.....	101.1	102.1	102.1	98.9	99.4	103.2	99.9	99.4	98.7	100.4	98.7	101.1	101.5	99.1
July.....	101.3	101.2	102.1	98.9	100.9	101.9	101.7	99.1	97.1	100.4	98.8	101.1	101.6	99.4
August.....	100.3	98.8	102.1	98.9	100.9	102.0	101.4	98.6	94.8	100.4	98.5	102.2	101.2	99.9
September.....	100.8	99.9	102.1	98.9	103.3	101.8	100.9	98.9	95.6	100.4	98.5	102.2	101.2	100.1
October.....	100.3	97.9	102.2	98.9	103.5	101.4	101.6	99.5	96.3	100.4	98.6	103.7	101.2	100.9
November.....	100.4	97.7	102.2	99.0	105.2	102.0	101.6	99.8	97.3	100.4	98.5	103.7	101.3	100.9
December.....	100.6	97.6	102.2	98.9	107.2	101.3	101.8	100.2	98.7	100.4	98.4	103.7	101.3	100.9
<i>Annual Average.....</i>	<i>100.6</i>	<i>99.3</i>	<i>102.1</i>	<i>99.1</i>	<i>102.4</i>	<i>102.4</i>	<i>101.0</i>	<i>99.4</i>	<i>97.5</i>	<i>100.4</i>	<i>98.8</i>	<i>101.9</i>	<i>101.2</i>	<i>99.9</i>
1941 January.....	100.6	97.7	102.3	99.1	107.2	100.7	101.6	100.1	98.5	100.4	98.7	103.7	100.9	100.9
February.....	100.8	97.9	102.9	99.2	106.6	101.0	101.7	100.1	98.5	100.4	98.7	103.7	100.7	100.9
March.....	101.3	99.5	102.9	99.3	104.5	101.7	102.1	100.6	100.3	100.4	98.8	103.7	101.1	100.9
April.....	102.3	101.5	102.9	99.5	106.6	102.1	102.4	101.5	103.1	100.4	98.9	103.7	101.1	101.1
May.....	102.5	101.7	102.9	99.6	107.1	102.8	102.9	102.0	103.7	100.4	99.0	103.7	102.4	101.9
June.....	104.0	104.7	103.0	99.8	107.3	105.8	103.8	102.4	106.0	100.4	99.0	103.7	104.0	100.8
July.....	104.7	106.2	103.0	99.9	108.6	108.5	103.8	102.7	106.3	100.4	99.3	104.9	104.2	101.1
August.....	106.0	108.8	103.0	102.5	109.8	109.9	103.8	103.9	108.8	100.4	102.9	106.0	104.4	101.1
September.....	107.2	110.2	103.0	105.8	111.3	114.5	104.1	105.8	112.4	102.4	106.6	106.4	109.4	100.9
October.....	108.6	112.5	103.2	107.9	111.5	116.5	105.2	108.0	113.5	102.4	109.0	106.4	111.7	105.2
November.....	110.3	115.9	103.2	111.3	111.4	116.9	105.8	108.7	115.8	102.4	110.8	106.4	115.1	104.4
December.....	109.8	114.5	103.2	111.9	111.4	117.7	105.7	108.5	116.2	102.4	111.1	106.4	115.8	103.2
<i>Annual Average.....</i>	<i>104.8</i>	<i>105.9</i>	<i>103.0</i>	<i>103.0</i>	<i>108.6</i>	<i>108.2</i>	<i>103.6</i>	<i>103.7</i>	<i>106.9</i>	<i>101.1</i>	<i>102.7</i>	<i>104.9</i>	<i>105.9</i>	<i>101.9</i>
1942 January.....	111.7	117.7	103.2	115.6	111.4	119.1	106.8	109.8	119.5	102.4	114.2	106.4	116.5	103.2
February.....	113.1	119.9	103.5	118.8	111.4	120.6	108.1	111.2	120.1	102.4	115.6	106.4	118.9	106.2
March.....	114.0	121.4	103.7	120.0	111.4	122.3	108.3	112.8	123.1	105.2	116.6	106.4	120.5	106.5
April.....	114.9	122.2	103.8	124.0	113.3	122.4	108.7	114.6	125.4	105.2	121.9	106.4	121.7	107.9
May.....	115.9	123.6	103.8	126.4	114.0	122.4	109.6	115.0	125.0	105.2	121.1	106.4	121.3	109.7
June.....	116.1	124.6	103.7	125.0	114.2	122.3	109.7	114.7	123.9	105.2	121.2	106.6	120.7	110.0
July.....	117.6	126.1	103.7	125.1	120.7	122.3	111.1	115.0	124.6	105.2	121.5	106.6	120.9	110.2
August.....	117.8	127.2	103.9	124.9	118.1	122.6	111.1	115.1	124.5	105.2	121.6	106.6	120.9	110.4
September.....	117.8	128.0	103.9	124.9	118.0	122.6	110.1	116.0	126.4	105.2	121.5	106.6	120.9	111.6
October.....	118.8	130.7	103.8	125.0	118.0	122.5	110.2	117.2	128.8	105.2	121.6	106.6	120.9	113.2
November.....	120.0	133.3	103.8	125.1	118.2	122.5	111.2	117.8	129.8	105.2	121.7	106.6	120.9	113.9
December.....	120.3	134.4	103.6	125.1	118.2	122.5	111.2	118.3	131.7	105.2	121.7	106.6	120.9	113.9
<i>Annual Average.....</i>	<i>116.5</i>	<i>125.8</i>	<i>103.7</i>	<i>123.3</i>	<i>115.6</i>	<i>122.0</i>	<i>109.7</i>	<i>114.8</i>	<i>125.2</i>	<i>104.7</i>	<i>120.0</i>	<i>106.5</i>	<i>120.4</i>	<i>109.7</i>

**COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS
IN SELECTED CITIES, 1939-1942—Continued**

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939 = 100

Minneapolis, Minn.								Parkersburg, W. Va.						
Date	Weighted Total, All Items	Food	Housing	Clothing	Fuel and Light	House- furnish- ings	Sundries	Weighted Total, All Items	Food	Housing	Clothing	Fuel and Light	House- furnish- ings	Sundries
<i>Budgetary Weights</i>	100.0	29.7	17.6	9.7	8.3	5.2	29.5	100.0	35.1	11.4	10.7	5.8	5.7	31.3
1939 January.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
February.....	100.1	100.2	100.0	100.7	99.8	100.1	100.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
March.....	100.1	100.0	100.0	100.8	99.7	100.0	100.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
April.....	100.3	99.9	100.0	100.8	99.7	100.2	100.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
May.....	100.5	100.8	100.0	100.8	98.8	100.2	100.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
June.....	100.2	100.2	100.0	100.8	97.4	100.5	100.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
July.....	100.1	99.6	100.0	100.8	97.4	100.5	101.3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
August.....	99.9	98.8	100.0	100.9	97.6	100.5	101.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
September.....	101.3	103.4	99.7	101.0	98.4	100.7	101.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
October.....	102.0	103.8	99.7	101.1	98.2	101.1	103.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
November.....	101.7	103.6	99.6	100.8	98.1	101.2	102.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
December.....	101.2	101.9	99.6	101.1	98.1	101.3	102.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<i>Annual Average</i>	100.6	101.0	99.9	100.8	98.6	100.5	101.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1940 January.....	101.0	101.4	99.6	101.1	98.4	101.3	102.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
February.....	101.3	102.7	99.6	101.1	98.4	101.9	101.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
March.....	100.9	100.9	100.4	101.1	98.4	101.9	101.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
April.....	100.2	98.6	100.4	101.0	98.4	102.0	101.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
May.....	100.4	99.5	100.4	100.6	98.1	101.9	101.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
June.....	101.2	101.8	100.4	100.5	98.4	103.1	101.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
July.....	100.6	100.0	100.4	101.4	98.0	103.0	101.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
August.....	100.4	99.2	100.4	101.4	98.2	103.1	101.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
September.....	101.1	100.9	100.4	101.6	98.3	103.2	101.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
October.....	101.4	101.0	100.8	101.2	98.4	103.2	102.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
November.....	101.5	101.4	100.8	101.4	98.4	103.3	102.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
December.....	102.5	104.8	100.8	101.3	98.4	103.3	102.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<i>Annual Average</i>	101.0	101.0	100.4	101.1	98.3	102.6	101.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1941 January.....	102.2	103.9	100.8	101.3	98.1	103.4	102.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
February.....	101.8	102.4	100.8	101.4	98.1	103.6	102.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
March.....	101.8	102.3	100.8	101.4	98.0	104.2	102.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
April.....	102.5	104.7	100.8	101.5	98.0	104.2	102.6	102.8	107.0	100.0	102.3	94.6	104.2	100.4
May.....	104.1	108.3	100.8	101.6	97.2	105.7	104.3	104.3	110.1	100.0	102.6	94.6	104.5	101.7
June.....	106.0	114.7	100.8	101.6	97.2	107.0	104.0	105.8	113.5	100.0	102.7	94.6	105.5	102.5
July.....	106.1	114.1	101.6	101.8	98.2	107.1	104.2	107.1	116.9	100.0	102.7	94.6	106.5	102.7
August.....	106.9	116.1	101.6	102.6	99.0	107.4	104.3	108.4	120.0	100.0	104.1	94.6	106.5	102.9
September.....	108.7	118.1	102.6	107.9	99.5	112.6	104.9	110.6	123.3	101.4	108.7	94.6	110.2	103.4
October.....	110.0	118.9	102.6	109.7	99.8	115.7	107.4	111.8	123.5	101.4	111.5	94.6	114.1	105.5
November.....	111.0	120.6	103.2	111.3	99.7	116.7	108.0	112.5	123.8	103.5	112.9	94.6	115.7	105.6
December.....	111.4	121.8	103.2	112.0	99.7	116.9	108.0	113.5	126.0	103.5	113.7	94.6	118.7	105.6
<i>Annual Average</i>	106.0	112.2	101.6	104.5	98.5	108.7	104.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1942 January.....	113.4	125.2	103.2	117.0	99.9	117.8	109.5	114.9	128.5	103.5	115.8	94.6	122.7	105.8
February.....	113.8	124.9	103.2	118.2	99.9	119.2	110.4	116.4	129.8	103.5	119.5	94.6	123.5	107.8
March.....	114.7	126.8	103.2	120.0	99.9	121.1	110.7	117.6	132.1	104.2	121.7	94.6	123.7	108.0
April.....	115.4	127.4	103.4	123.7	99.4	122.3	111.0	118.8	134.6	104.2	123.4	94.6	124.3	108.2
May.....	115.6	127.3	103.4	124.2	99.7	122.2	111.6	118.5	133.7	104.2	123.4	94.6	124.1	108.5
June.....	115.8	127.7	103.4	123.7	100.0	122.1	111.9	118.5	133.4	104.2	123.3	94.6	123.8	108.7
July.....	116.1	127.8	103.6	124.0	100.0	122.2	112.5	119.0	132.7	104.2	123.7	94.6	123.9	110.9
August.....	116.6	129.2	103.7	124.6	99.9	122.2	112.8	118.9	133.9	104.2	123.6	94.6	124.6	109.3
September.....	117.4	131.5	103.7	124.7	100.0	122.2	113.0	119.3	134.7	104.2	123.9	94.6	124.6	109.5
October.....	119.1	136.5	103.7	124.8	100.0	122.2	113.8	120.5	137.7	104.2	123.9	94.6	124.6	110.0
November.....	119.9	138.3	103.7	125.0	100.0	122.2	114.4	121.3	139.5	104.2	123.8	94.6	124.6	110.6
December.....	120.4	140.0	103.7	124.9	100.0	122.2	114.6	121.9	141.1	104.2	123.9	94.6	124.6	110.9
<i>Annual Average</i>	116.5	130.2	103.5	122.9	99.9	121.5	112.2	118.8	134.3	104.1	122.5	94.6	124.1	109.0

n.a. Not available

Lard.....	1 lb.
Vegetable lard substitute.....	3 lb. can
Oleomargarine.....	1 lb.
Eggs (Grade A medium).....	1 doz.
Cheese, American.....	1 lb.

Vegetables and fruits

Potatoes, Irish or white.....	15 lbs.
Potatoes, sweet.....	1 lb.
Carrots.....	bunch
Cabbage, white.....	1 lb.
Beans, green.....	1 lb.
Lettuce, iceberg, or comparable quality.....	1 head
Onions, yellow.....	1 lb.
Beans, navy or pea, dried.....	1 lb.
Corn, canned (standard).....	No. 2 can
Peas, canned (standard).....	No. 2 can
Tomatoes, canned (standard).....	No. 2 can
Peaches, halves, canned (standard).....	No. 2½ can
Prunes, 40-50.....	1 lb.
Bananas.....	1 lb.
Apples, general purpose, U. S. No. 1.....	1 lb.
Oranges, medium size. 176-220.....	1 doz.

Miscellaneous

Sugar, granulated.....	1 lb.
Coffee.....	1 lb.
Tea, orange pekoe.....	½ lb. pkg.

These items are a representative cross-section of the total family food budget of wage earners and lower-salaried clerical workers and were selected with great care. The items chosen are not only representative of their own price changes but also of price changes of many other items of food of similar or related characteristics. For example, the price movements of round steak, rib roast of beef, and chuck roast of beef are similar to those of higher-priced beef items such as sirloin, as well as of lower-priced items such as plate beef, dried and corned beef. Likewise, the price changes

of leg of lamb would be indicative of the price changes of other cuts of lamb. When consideration is given to the fact that many items not covered by the questionnaire move similarly in price to the items covered, it becomes evident that a high proportion of total family expenditures for food are represented by the items included in the questionnaire used by THE CONFERENCE BOARD.

Changes in Items Priced

Since March, 1940, several minor changes have been made in the items priced each month by THE CONFERENCE BOARD. The first change was made in October, 1940, at which time it was no longer considered necessary to price sirloin steak, beef liver and canned green peas. At the same time it was deemed advisable to add to the questionnaire oleomargarine, lettuce, canned peaches and cooking apples. In January, 1941, fresh green beans were added to the questionnaire. In September, 1941, brand specifications were eliminated for canned corn, peas and peaches; the collection of prices of plate beef, oatmeal and rice was discontinued; whole smoked ham was substituted for smoked picnic ham; and pink salmon replaced red salmon. The most recent change made in the food questionnaire occurred in April, 1942, when meat and egg prices were more closely specified as to grade.

Thus, minor changes in the list of food items priced each month indicate that a constant check is maintained on the representativeness of the sample and that changes are always made where warranted.

ROBERT A. SAYRE

Assisted by

G. CLARK THOMPSON

M. A. WERTZ

Division of Industrial Economics

Questions and Answers

Question: What is the penalty for non-compliance with the President's Executive Order on Overtime Compensation (Order No. 9240)?

Answer: Unlike Executive Order 9250 on Wage and Salary Stabilization, Order No. 9240 does not specify any penalty for non-compliance. However, it is well to remember that government contracts can be withheld from companies that do not comply.

Question: Is the use of the attendance bonus increasing at present? How effective are such payments in combating absenteeism?

Answer: There does not seem to be any wide-spread

increase in the number of companies that pay cash bonuses for good attendance. This may be due in part to the fact that the present high rate of absenteeism involves complex factors and is little affected by monetary incentives for better attendance. For example, there seems to be a tendency for workers to sacrifice extra bonuses in order to take time off to shop or to enjoy recreational pursuits.

One company reports that its attendance bonus accomplished a substantial reduction in absenteeism by the end of four months. However, a comparison of its absentee record with that of a number of other companies shows that it still has not solved the problem of absenteeism.

Strikes and Turnover Rates

SIXTY PER CENT of all strikes in industry during the month of December, 1942, occurred in war industries. They totaled 96 as compared with 91 in November and brought the total for new strikes during the year up to 1,359.

The workers involved in these strikes in war industries comprised 86% of all workers idle during December, with 49,000 war workers on strike as compared with 43,000 in November. Man days lost to war production were 120,000, or 60% of all days lost because of strike activity.

Man days worked in December were estimated at

385 million, an increase of 10% over November. Thus the percentage of time lost to time worked was .03%—the same as for November.

In 160 strikes starting in December in all occupations 57,000 workers were involved; these strikes brought 200,000 man days of idleness, an increase of 14% over November. Although the number of strikes declined 3% from November, 4% more workers were involved.

Preliminary strike figures for 1942 reveal that 3,120 strikes were begun during that year. Although a decline of 27% from the 1941 total and a smaller number than

STRIKES, TURNOVER RATES AND PRODUCTION

Date	All Occupations			Production ² (1935-1939 = 100)	Manufacturing					
	Strikes ¹				Turnover Rate per 100 Employees ¹					Accessions ⁷
	Beginning in Period		Man Days Idle During Period (Thousand)		Separations ²					
	Number	Workers Involved (Thousand)			Total	Quits ⁴	Miscella- neous ⁴	Discharges ⁵	Lay-offs ⁶	
1929.....	921	289	5,352	110	75.23 ^a	41.01 ^a		9.04 ^a	25.17 ^a	67.61 ^a
1930.....	637	183	3,317	90	59.65	13.64		5.04	35.97	37.02
1931.....	810	342	6,893	74	48.38	11.39		2.72	34.27	36.59
1932.....	841	324	10,502	57	51.98	8.34		1.96	41.68	39.82
1933.....	1,695	1,168	16,872	68	45.38	10.66		2.49	32.23	65.20
1934.....	1,856	1,467	19,592	74	49.17	10.67		2.24	36.26	56.91
1935.....	2,014	1,117	15,456	87	42.74	10.37		2.29	30.08	50.05
1936.....	2,172	789	13,902	104	40.35	13.02		2.63	24.70	52.16
1937.....	4,740	1,861	28,425	113	53.11	14.97		2.38	35.76	42.59
1938.....	2,772	688	9,148	87	49.22	7.46		1.29	40.47	46.16
1939.....	2,613	1,171	17,812	108	37.71	9.52		1.52	26.67	48.85
1940.....	2,508	577	6,701	124	40.27	10.93	1.61	1.84	25.89	52.72
1941.....	4,288	2,363	23,048	161	46.68	23.63	4.15	3.04	15.86	64.51
1942 p.....	3,120	788	4,565	190	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1941 December.....	143	30	476	171	4.71	1.75	.52	.29	2.15	4.76
1942 January.....	155	33	390	173	5.10	2.36	.83	.30	1.61	6.87
February.....	190	57	425	175	4.82	2.41	.73	.29	1.39	6.02
March.....	240	65	450	177	5.36	3.02	.82	.33	1.19	6.99
April.....	310	55	375	181	6.12	3.59	.87	.35	1.31	7.12
May.....	275	58	325	183	6.54	3.77	.96	.38	1.43	7.29
June.....	350	100	550	185	6.46	3.85	1.02	.38	1.21	8.25
July.....	400	88	450	189	6.73	4.02	1.23	.43	1.05	8.28
August.....	350	80	450	196	7.06	4.31	1.46	.42	.87	7.90
September.....	290	80	450	201	8.10	5.19	1.79	.44	.68	9.15
October.....	235	60	325	204	7.91	4.65	2.03	.45	.78	8.69
November.....	165	55	175	206	7.09	4.21	1.80	.43	.65	8.14
December p.....	160	57	200	204	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE—For back figures, see *The Conference Board Management Record*, June, 1942, p. 194.

¹United States Bureau of Labor Statistics.

²Federal Reserve annual production data are averages of monthly figures.

³A separation is a termination of employment of any of the following kinds: quit, lay-off, discharge, or miscellaneous. Transfers from one plant to another of the same company are not considered as accessions or separations.

⁴A quit is a termination of employment, generally initiated by the worker because of his desire to leave, but sometimes due to his physical incapacity. Beginning with January, 1940, separate rates were computed for miscellaneous separations; i. e., separations due to death, permanent disability, retirements on pensions, and similar reasons. Beginning with September, 1940, workers leaving to enter the Army or Navy were included in miscellaneous separations.

⁵A discharge is a termination of employment at the will of the employer, with prejudice to the worker because of some fault on the part of the worker.

⁶A lay-off is a termination of employment at the will of the employer, without prejudice to the worker and of a temporary, indeterminate, or permanent nature. However, a short, definite lay-off with the name of the worker remaining on the payroll is not counted as a separation.

⁷An accession is the hiring of a new employee or the rehiring of an old employee. Transfers from one plant to another of the same company are not considered as accessions or separations.

^aJune to December.

^pPreliminary.

^{n.a.}Not available.

^rRevised

LABOR DISPUTES ORIGINATING DURING THE MONTH OF JANUARY, 1943¹

Organization Affected	Location	Date Begun	Date Ended	Number of Workers Involved
Manufacturing, Building and Mining				
Chrysler Corporation (Jefferson Avenue Plant)	Detroit, Mich.	Jan. 5	Jan. 5	43
Chrysler Corporation (Jefferson Avenue Plant)	Detroit, Mich.	6	6	30
Dodge Brothers Corporation	Detroit, Mich.	29	29	2,500
Dressmakers	New York, N. Y.	26	28	30,000
Firestone Tire and Rubber Company	Memphis, Tenn.	29	Feb. 1	3,000
Ford Motor Company (River Rouge Plant)	Detroit, Mich.	4	Jan. 5	15,000
Fruehauf Trailer Company	Fort Wayne, Ind.	30	..	180
B. F. Goodrich Company	Akron, Ohio	31	Feb. 1	40
Jones and Laughlin Steel Corporation	Cleveland, Ohio	8	..	150
P. Lorillard Company	Jersey City, N. J.	25	Jan. 25	1,700
P. Lorillard Company	Jersey City, N. J.	26	..	1,700
National Roll and Foundry Company	Avonmore, Pa.	27	..	275
H. K. Porter Company, Incorporated	Pittsburgh, Pa.	5	..	800
Schacht Rubber Company	Noblesville, Ind.	1	2	1,000
Suburban Fuel Oil Service, Incorporated	Mount Vernon, N. Y.	27	29	14
Wright Aeronautical Corporation (No. 2 plant)	Paterson, N. J.	9	16	1,300
Miscellaneous				
"The Bellingham Herald"	Bellingham, Wash.	7	13	n.a.
Book Cadillac Hotel	Detroit, Mich.	21	21	50
Coal Truck Drivers	Syracuse, N. Y.	16	18	100
New York City Transit System:				
Brooklyn Manhattan Transit Division	New York, N. Y.	25	25	800
Independent Division	New York, N. Y.	28	28	600
Independent Division	New York, N. Y.	29	29	150
Interborough Rapid Transit Division	New York, N. Y.	27	27	2,675
Sherry Netherland Hotel ²	New York, N. Y.	26	26	150

¹ Incomplete report based on available material published in the press.² More than 150 day employees including electricians, firemen, oilers, bartenders, bell hops, waiters, cooks and elevator operators.
n.a. Not available.

for 1937, the 1942 total surpassed all other years since 1929.

Workers involved numbered 788,000, a decline of 67% from 1941. Man days lost totaled 4,565,000, a decrease of 80% from 1941.

War strikes in progress during the year totaled 1,363,

STRIKES IN WAR PRODUCTION IN 1942

Source: Office of War Information & National War Labor Board

Month	Number of Strikes Beginning in Month	Number of Men Involved in Strikes Beginning in Month (000)	Man-Days Lost (000)	Estimated Man Days Worked (000,000)	% of Time Lost to Time Worked
(Carry-over from 1941)	(4)	(1)	n.a.	n.a.	n.a.
1942 January	27	12	46	166	.03%
February	50	25	119	178	.07
March	66	35	167	216	.08
April	91	26	174	235	.07
May	125	45	137	244	.06
June	171	79	255	275	.09
July	198	75	234	308	.08
August	195	70	266	300	.09
September	156	72	319	332	.10
October	93	38	168	350	.05
November	91	43	92	350	.03
December	96	49	120	385	.03
Total strikes beginning in year	1,359	568	..	..	..
Total strikes in progress during year	1,363	570	2,095	3,339	.06

n.a. Not available

involved 570,000 people, and accounted for the loss of 2,095,000 man days. Naturally there are no other figures to compare with these totals since 1942 was the first full year of World War II for the United States.

The man days of effort put into war production for the year 1942 amounted to 3,339 million. The relationship of time lost to time worked equaled .06% for the year and at no time during the year did it exceed .10%. For each 10,000 days expended in war production, six were lost because of strike activity.

Turnover rates for November, the latest figures available, showed decreases. Accessions declined from 8.69 per 100 employees in October to 8.14 in November. There was, nevertheless, a rise in the net excess of accessions over separations from October to November. The accession rate in November was more than twice as high as in November a year ago.

Separations declined from 7.91 in October to 7.09 per 100 employees in November. The several series that are combined to make the total separation rate showed decreases. Quits declined from 4.65 per 100 employees in October to 4.21 in November; miscellaneous separations declined from 2.03 to 1.80; discharges, from .45 to .43; and lay-offs, from .78 to .65. Total separations were twice as large in November this year as they were in November, 1941.

M. A. WERTZ

Division of Industrial Economics

Employment and Unemployment

THE AVERAGE number of men and women at work during the past year was fully half a million above the average number which would normally have composed the nation's labor force. In the preceding year the average number at work fell short of full employment by 3.4 million, and in 1940 unemployment totaled almost 7.7 million. Employment in civilian industries and the armed forces in 1942 averaged 55.8 million compared with 51.4 million in 1941 and 46.7 million in 1940. By the close of 1942 further military and industrial drains upon the labor reserve had raised total employment to 58.6 million, or nearly $3\frac{1}{4}$ million above the corresponding peacetime labor force.

In the initial month of the war about eighteen workers were engaged in civilian production off the farm for every man in uniform. This worker-fighter ratio at the close of the first year of the war had dropped to just short of seven persons in civilian nonfarm activities for every man in the fighting forces. With nine million in military service by the end of 1943 the worker-fighter ratio would fall slightly below five to one, while further military expansion to eleven million would result in four civilian workers to every member of the armed forces.

alone sixty-five civilian workers were added for every hundred persons entering the fighting forces. Official forecasts for 1943, however, reveal that a further military expansion of three to five million will be accompanied by an increase of only about 700,000 in civilian nonfarm employment. Extension of the work week and further shifts from non-essential to war industries will act as partial offsets to the shrinking worker-fighter ratio.

December Trends

Total employment fell off by only 275,000 during the month, despite the seasonal decrease of almost 1.4 million in the number at work on farms. Non-agricultural employment was sharply expanded in retailing to meet heavy holiday buying, substantial additions to war plant personnel continued, and military enlistments and inductions were at record levels. In all, the number in nonfarm work rose by more than a million to reach 49.8 million compared with 38.7 million in 1940 and 43 million in December, 1941.

The number of hired workers on farms at the year's end was the lowest on record. Although farm wage rates rose fully a third during the past year, there were almost 70,000 fewer hired workers than in the preceding year. Hired workers released during the month totaled 635,000 as against 587,000 in 1941. Farm family members continued to take over more of the agricultural production load.

Federal civilian employment advanced by about 120,000 in December to reach almost three million, a gain of 1.2 million over December, 1941, and 1.8 million over December, 1940. The December total was fully three times the corresponding number on government payrolls on November 11, 1918, while the military forces were about a third again as large as in World War I. About half of the December civilian recruits were for the military and other "war" agencies, while the other half were temporary additions for the handling of holiday mail. Emergency employment was slightly reduced during the month and totaled only 417,000, as against 1.5 million a year ago and 2.4 million in December, 1940.

EMPLOYMENT AND UNEMPLOYMENT, 1940-1942
In Thousands

Distribution of Labor Force	Average			1940	1941	1942		
	1940	1941	1942 ¹	December		October	November ¹	December ¹
Total unemployment....	7,650	3,350	....	6,868	2,937	....	....	....
Excess of employment over economic labor force....	....	....	546	....	....	4,168	3,536	3,223
Total employment (including armed forces)...	46,683	51,434	55,767	47,677	52,049	59,516	58,918	58,641
Agriculture.....	10,580	10,355	10,392	9,009	8,857	11,400	10,215	8,861
Forestry and fishing.....	208	215	209	201	202	212	202	191
Total industry.....	16,854	19,717	21,345	18,271	20,517	22,306	22,233	22,282
Extraction of minerals.....	756	758	780	764	805	763	757	750
Manufacturing.....	11,288	13,198	14,634	12,122	13,821	15,428	15,540	15,773
Construction.....	1,907	2,612	2,617	2,441	2,602	2,750	2,584	2,414
Transportation.....	1,948	2,135	2,276	1,976	2,248	2,330	2,324	2,319
Public utilities.....	956	1,015	1,037	968	1,041	1,035	1,029	1,026
Trade, distribution and finance.....	7,631	7,843	7,635	8,197	8,408	7,577	7,635	7,970
Service industries (including armed forces).....	10,432	12,190	14,955	10,951	12,894	16,715	17,311	17,985
Miscellaneous industries and services.....	978	1,114	1,231	1,048	1,172	1,306	1,322	1,352
Emergency employment ² WPA, CCC, and NYA (out-of-school) ³	2,498	1,926	849	2,447	1,462	467	448	417

¹Preliminary

²Not included in employment total.

³Since July 1, 1942, NYA projects are officially designated as war training programs rather than work-relief projects

By last December about six men had been brought into military service for every man in uniform at the close of 1940. Over these twenty-four months approximately one worker was added to nonfarm payrolls for every man entering military service. In the past year

M. R. GAINSBURGH
Division of Industrial Economics

Personnel Practices

A Good Employment Technique

The manager of an insurance agency office has developed a technique in the employment of office workers which seems to have definite advantages. When an applicant for a stenographer's position is being tested for proficiency in dictation and transcription the manager dictates a letter which outlines the advantages to her of working for the particular company. When she has completed the transcription and he has examined it he tells her that she may take it home if she likes to indicate to her parents how she performed in the test. Actually, it gives to the parents an excellent picture of the advantages of employment in that office.

He then asks the applicant to write him a letter indicating how she thinks she can be an asset to the company. In doing so she tends to set a standard for herself which she afterwards realizes is on record. When for example she states the fact that she will be regular and punctual in her attendance, she knows that she has committed herself and this becomes an incentive to make her promise a reality. The manager reports that this procedure has worked out very satisfactorily in securing workers who have developed into valuable members of the organization.

Rotation of Shifts

A physician of the New York State Department of Labor reports unsatisfactory experience with the use of women on regular shift rotation. She states that by last December, 236 New York plants were allowed to employ women on round-the-clock schedules. This practice was forbidden by law prior to Pearl Harbor.

She finds that the difficulty in adjusting to changed sleeping and waking hours has a particularly deleterious effect on the health of women as well as interfering with domestic arrangements. No sooner have employees become accustomed to a particular schedule than that schedule is changed. She further finds shift rotation undesirable because young women under 21, because of their immaturity, should be kept off the night shift.

Report to the Public

The Johns-Manville Corporation is reporting this year not only to its stockholders and employees, but also to the public. Through the advertising columns of newspapers the corporation presented recently a financial statement which bore the caption "A Report to the Public for the Year 1942."

Highlights included brief explanations of items in the company's income statement, reference to the award of the Army-Navy "E" to a plant under Johns-Manville management, the number of their employees in the

armed forces and the number of products manufactured by the company. A few of the products made for war use were listed. The public was invited to write for a copy of the company's annual report to stockholders.

Profit Sharing

Under the profit-sharing plan of the Procter and Gamble Company, the employees received \$1,118,631 in 1942. Approximately 7,500 employees participate in this plan and own 139,661 shares of the company's common stock.

Life Insurance for Retired Employees

Sears, Roebuck and Company has increased its group life insurance protection for retired employees. Previous to the recent announcement, employees upon retirement were given half of the group life insurance carried at the termination of active employment. The company has increased the coverage to the amount in effect on the date preceding retirement. The maximum amount carried for these employees is limited to \$7,500. The company pays the entire premium from the date of retirement to the death of the insured.

Tax Club

Over half of the employees of the Package Machinery Company of Springfield, Massachusetts, have joined the employees' pay-as-you-go tax club. Weekly payroll deductions amounting to \$2,266 are being made to meet the estimated 1943 income taxes of those participating.

Reducing Absenteeism

A survey made by the management of a small company in the West showed that 7% of the working force of the entire factory was absent each day. This rate was found to be considerably above the average of other plants. An analysis of absences revealed that unskilled workers were responsible for most of the time lost.

The management felt that illness was not the most important contributor to the loss of time but that many absences were the result of bad employee morale or over-indulgence in alcohol. To reduce lost time, a personnel investigator was selected to visit the homes of absentees within an hour after the starting time of their shift. So effective has been this system that a quarter of those missing at the beginning of the shift are persuaded to report to work that day.

Dirty Work

In many industrial plants there are occasional clean-up jobs that are particularly disagreeable because of

excessive grease or oil. Workers sometimes try to avoid being assigned to these jobs.

Analysis of union contracts reveals that in two large shipbuilding companies there is a clause in the contract providing compensation at the rate of time and one-half the regular rate for work of this character. Following is an excerpt from one contract:

Any employee who shall be required to perform unusually dirty work such as work in uncleaned oil tanks and uncleaned Diesel crank pits shall be paid extra compensation (in addition to his regular compensation) for such work at the rate of one-half his regular hourly base rate of pay.

Union-Management Insurance

Under an agreement between the Clothing Manufacturers Association and the Amalgamated Clothing Workers, announced December 11, 1942, more than 125,000 workers in the men's and boys' clothing industry throughout the country will be covered by a life and health insurance program. The employers are contributing into an insurance fund 2% of their payrolls covering all productive workers. Negotiations are in progress with the major insurance companies for reinsurance of all funds collected under the agreement. It is estimated the employers' contributions will amount to approximately \$200,000 per month. All productive workers, union and non-union, will be covered by the fund.

Share-the-Ride Plans

Informal plans for sharing rides, carried out by employees themselves, are solving the transportation problem in some factories. At a large airplane plant in the West, workers who want rides simply stand at the main exit of the plant under signs lettered with names of different residential districts of the city. Drivers are interested in picking up passengers since no drivers are certified to the rationing board for new or recapped tires unless they have been carrying a full passenger load for at least a month.

At plants of the Briggs Manufacturing Company in Detroit, employees are aided in making up their own transportation groups by a map of the city, mounted on a cylinder for convenience, and ruled into numbered squares. A card rack for each shift is near at hand, marked into sections corresponding with the numbers on the map squares. Under each number are two pigeonholes, one for riders and one for drivers. Each employee puts his name and address on a ticket, and, after consulting the map to find the number of the district in which he resides, puts the card in the proper section of the rack. At lunch time employees whose cards have accumulated in a given square get together at a point designated with the number of the square, to work out arrangements for driving and riding.

Rest Periods

A joke of long standing is the one about the cobbler with shoes worn thin and the tailor with pants unpressed. When it comes to rest periods in industry, however, Horlick's Malted Milk Corporation, Racine, Wisconsin, parts company with the lazy cobbler and tailor. According to a Dartnell report, "What Management Thinks of Rest Periods," published in the December issue of *American Business*, this company serves chocolate malted milk to all employees in the office and factory at 10 o'clock each morning. It is served both hot and cold, and is prepared from the company's regular product mixed with water and without additional flavoring. The reason for serving malted milk in the morning rather than in the afternoon, according to the report, is that it supplements the light breakfasts that are so common today.

Rest period practices in eight other companies discussed in this timely report include: American Mutual Liability Insurance Company, Meredith Publishing Company, The Equitable Life Assurance Society, National Bellas Hess, Inc., The Crosse and Blackwell Company, Metropolitan Life Insurance Company, Humble Oil and Refining Company, and Magnolia Petroleum Company.

Revised Military Service Policy

The Illinois Bell Telephone Company announced that on January 1, 1943, its revised plan for treatment of employees entering military service would go into effect. It applies to all men and women enlisting or inducted into any branch of the armed forces. It also covers all temporary employees with one or more years of service.

A military allowance equivalent to the difference between company pay and government pay will still be paid for two weeks to employees with less than one year's service and for three months to other employees. The revision provides that "government pay" will include not only base pay, pay for length of service and special qualifications for duty, but also allowance for dependents. The difference will be computed only once, at the time of entry into service, rather than each month as under the previous plan.

Men on leave who have wives or dependent children will receive the full difference between company pay and government pay for an additional period of three months. Under the former plan, these additional dependency payments were equal to one-half of the difference between company and government pay, and were given each month to the end of 1942.

An employee on leave for two years or less will continue to receive credit on his company service record for the full period of his absence. If he is absent more than two years, one year will be credited to his company service for each year of service prior to his entrance into military service.

Wage-increase Announcements¹, January 1 to January 31

Source: Daily Press and Various Periodicals

Company	Location	Amount of Increase	Number Affected	Remarks
American Transformer Company.....	Newark, N. J.	5.8¢/hr. (avg.)	1,027	To factory employees
Anaconda Copper Mining Company.....	Butte, Mont.	\$1/day	10,000	To adjust inequalities
Eastern Massachusetts Street Railway Company.....	Boston, Mass.	9¢/hr.	1,500	To adjust inequalities
Fifth Avenue Coach Company.....	New York City	8¢/hr. (avg.)	1,200	To all employees. Rate for garage and shop mechanics set at \$1.10/hr.
Ford Instrument Company.....	Long Island City, N. Y.	7½¢/hr. (avg.)	5,400	To all employees
General Motors Corporation.....	Detroit, Mich.	5¢/hr.	5,000	To tool and diemakers. Supplements 10¢ increase granted in October, 1942
General Steel Castings Corporation.....	Eddystone, Pa.	6¢/hr. 5¢/hr.	3,500 1,700	To skilled maintenance employees Retroactive to July 1, 1942. New minimum: 75¢/hr.
Joy Manufacturing Company.....	Franklin, Pa.	4½¢/hr.	.....	.....
Murray Corporation of America.....	Detroit, Mich.	5¢/hr.	.....	To press operators, shear operators and drill press operators
		10¢/hr. 4¢/hr.	6,671	To tool and die makers To all workers except above two classifications
Timken Roller Bearing Company.....	4 Ohio Plants	5½¢/hr.	17,000	Retroactive to June 1, 1942
United States Steel Corporation.....	16 Plants	5½¢/hr.	9,640	Retroactive to February 15, 1942 American Bridge Company—Minneapolis, Minn., Gary, Ind., Ambridge and Pittsburgh, Pa. Virginia Bridge Company—Memphis, Tenn. and Birmingham, Ala. Oil Well Supply Company—Oil City and Braddock, Pa. Universal Atlas Cement Company—Burlington, Ind., and Duluth, Minn. Boyle Manufacturing Company—Alameda and Los Angeles, Calif. Scully Steel Products Company—Chicago, Ill., St. Paul, Minn., Newark, N. J., and Pittsburgh, Pa.
Western Union Telegraph Company.....	Jersey City, N. J. and New York City	5.3¢/hr. (avg.)	5,537	To messengers, operators and office employees in New York City and workers in repair shops and wire houses in Jersey City
Laundry Workers.....	Westchester County, Long Island and New York City	3½¢/hr. 7¢/hr. 5¢/hr. 3½¢/hr.	30,000	To all women workers To all male workers earning \$30/wk. and less To all male workers earning \$30-\$35/wk. To all men earning above \$35/wk., including all salaried drivers and drivers' helpers

¹Includes salary-increase announcements

Chronology of Events Affecting Labor Relations January 1 to January 31

January

- 1 *WLB Threatens Seniority Rights*—WLB takes unprecedented step in threatening withdrawal of seniority rights from striking employees of Windsor Manufacturing Company. Strike resulted from jurisdictional conflict.

President Demands Labor Compliance—In wire to California Machinists Union, President Roosevelt directs members to conform with the Pacific Coast shipbuilding and ship repair stabilization agreement regarding pay for Saturdays and Sundays.

January

- 5 *President's Directive Ignored*—Notwithstanding President's order, ship workers remain away from jobs in what is described as "a strike of union members against their union."

Labor and Industry Outvote Public Members—In WLB case, labor and industry members create precedent by outvoting public members who opposed a wage increase because it broke through ceiling set by the board in "Little Steel" case.

- 6 *Anthracite Strike Becomes Serious*—Strike of anthracite

miners spreads in Wilkes Barre, Pa., area, in protest against dues increase from \$1.00 to \$1.50 per month voted at UMW convention last October.

NLRB Dismisses Kaiser Bias Plea—NLRB denies motion by Kaiser Company requesting disqualification of two Board members in deciding case involving unfair labor practices brought against the Kaiser Company. The two members were alleged to have prejudiced the issues in the case.

11 **Labor Department Wins Subpoena Powers**—U. S. Supreme Court upholds power of Secretary of Labor to subpoena company records in connection with administration of Walsh-Healey Public Contracts Act.

12 **Striking Miners Ordered Back**—WLB orders striking coal miners in Pennsylvania to return to work pending adjudication of their grievance, and reproves miners for action threatening adequate prosecution of the war.

13 **Coal Strikers Defiant**—Several locals vote to remain on strike notwithstanding ultimatum from WLB.

16 **Labor Secretary Urges Permanent WLB**—In her annual report, Secretary of Labor recommends continuation of an agency similar to WLB, though shorn of its wartime powers, to facilitate settlement of labor disputes without economic warfare.

Women Union Members Increasing—Women's Bureau of U. S. Department of Labor announces that enrolment of women in trade unions has increased from 1 million to 3½ million since Pearl Harbor. About 1½ million women union members are in CIO, about 1¼ million in AFL, and the others scattered among independent unions.

Railway Mediation Fails—Railway Mediation Board announces breakdown of negotiations in latest railroad labor dispute involving 900,000 non-operating workers demanding 20¢ per hour increase and closed shop. The Carriers Joint Conference Committee announces it will arbitrate wage issue but not closed shop.

19 **President Demands Re-opening of Coal Mines**—President, acting in his capacity as Commander-in-Chief, sets 48-hour deadline for compliance with his order to striking anthracite coal miners to return to work.

20 **United Front of Coal Miners Broken**—Following Presidential ultimatum workers in anthracite coal mines start

a back-to-work movement effectively ending threat to further restriction of output of much needed fuel.

22 **Jurisdictional Arbitration Pact Approved**—Executive committee of AFL ratifies agreement for arbitration of jurisdictional disputes formulated by AFL-CIO peace committee on December 2. The agreement had previously been approved by CIO executive board on January 9.

23 **Pay Control Open to Review**—Director of Economic Stabilization softens the "no review" aspect of wage and salary determination. He states that allowance or disallowance of any proposed wage or salary increase is an administrative function and not subject to judicial review but this does not mean that the validity of the regulations themselves is not subject to judicial review or that arbitrary and capricious decisions of the administrative agencies may not be corrected by the courts.

24 **Railroad Brotherhoods File Wage Demand**—The five transportation brotherhoods file with the carriers their request for a flat 30% increase in wages.

25 **Attorney General Denies Railroad Closed Shop**—Attorney General announces formal ruling that Railway Labor Act forbids maintenance of membership as well as the closed shop in a rail labor contract. Opinion was based on the requirement of the act that employers avoid influencing or coercing employees in an effort to join or remain or not to join or remain members of any labor organization.

28 **Anti-racket Bill Covering Unions Introduced**—A bill to subject labor unions to the 1934 Federal anti-racketeering law is approved by the Judiciary Committee and reported to the House. This bill is aimed to remove the exemption from the act by labor unions held to exist by the U. S. Supreme Court.

NOTE

Two excerpts from the press included in the last issue's "Chronology" have been found to be incorrect. An item for December 8 indicated a drop in man-hour output per employee in the steel industry from 184 lbs. in September, 1941, to 131 lbs. in September, 1942. The figure for September, 1941, should be 134 lbs.

The ratios of women workers to men shown under date of December 12 and reproduced as reported are clearly incorrect on the basis of Census figures which indicate that women make up a much larger proportion of the total working force than indicated.